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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
WACO DIVISION

BROADBAND ITV, INC.) Docket No. WA 19-CA-716 ADA
)
vs.) Waco, Texas
)
DISH NETWORK, LLC) November 13, 2020

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

BROADBAND ITV, INC.) Docket No. A 20-CA-717 ADA
)
vs.) Austin, Texas
)
AT & T SERVICES, INC.,)
AT & T COMMUNICATIONS,)
LLC,) November 13, 2020

TRANSCRIPT OF VIDEOCONFERENCE MARKMAN HEARING
BEFORE THE HONORABLE ALAN D. ALBRIGHT

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09:02:02 1 THE COURT: Good morning.

09:02:02 2 I see Mr. Durst taking up my whole screen. How
09:02:07 3 could I start a day better than that?

09:02:14 4 Suzanne, would you call the case, please.

09:02:17 5 THE CLERK: Sure.

09:02:17 6 Markman hearing in Civil Actions 1:20-CV-717,
09:02:22 7 styled, Broadband iTV, Incorporated vs. AT & T Services,
09:02:26 8 Incorporated and AT & T Communications, LLC, and; Civil
09:02:31 9 Action 6:19-CV-716, styled, Broadband iTV, Incorporated
09:02:37 10 vs. DISH Network, LLC.

09:02:41 11 THE COURT: If I could hear announcements. Give
09:02:43 12 me one second to get my paper ready and write this down.
09:02:46 13 If I could hear announcements from counsel, please.

09:02:51 14 MR. HILL: Good morning, your Honor.

09:02:52 15 Wesley Hill on behalf of the Plaintiff BBitV.
09:02:55 16 And with me today on the meeting is Marc Belloli, David
09:02:58 17 Alberti and Rob Kramer, and we are ready for our Markman
09:03:01 18 hearing.

09:03:02 19 THE COURT: Okay. Good morning.

09:03:05 20 MR. DURST: Judge, this is Tim Durst for AT & T
09:03:08 21 and DIRECTV. And with me this morning, we have Tim Dyll.
09:03:13 22 Mr. Dyll is inhouse counsel with AT & T and assistant
09:03:16 23 vice-president there. Also with me are my partners, Roger
09:03:21 24 Fulghum and Jeff Becker. And, your Honor, also with us
09:03:26 25 this morning and arguing her first Markman, she's going to

09:03:30 1 take one of the terms that's teed up for this morning is
09:03:33 2 my colleague, Morgan Mayne. And finally, from Baker
09:03:38 3 Botts, Emily Felvey. Also on our team, your Honor, is
09:03:41 4 Mark Siegmund, and Mark is us with this morning, as well.
09:03:44 5 That's the AT & T and DIRECTV team.

09:03:46 6 THE COURT: Well, I hope you have given her
09:03:49 7 adequate warning about how rough I can be on these calls.
09:03:53 8 So there's that. And now with Mr. Dyll on the line, I may
09:04:00 9 have given him a hard time in the past about his -- where
09:04:05 10 he went to college, but now that my wife is also an Aggie,
09:04:09 11 that's been taken away from me.

09:04:11 12 So welcome, Mr. Dyll, as to -- along with anyone
09:04:14 13 else who is an inhouse person, I appreciate all of you all
09:04:18 14 attending these calls.

09:04:23 15 MR. PALMER: John Palmer on behalf of the DISH
09:04:27 16 Defendants. We have as lead counsel from Orrick, Clem
09:04:31 17 Roberts, Alyssa Caridis and Will Melehani. And our
09:04:38 18 inhouse counsel today is Jim Hanft, H-A-N-F-T. And Larry
09:04:45 19 Katzin may be joining in later.

09:04:46 20 THE COURT: Very good.

09:04:50 21 MR. ROBERTS: Good morning, your Honor.

09:04:51 22 THE COURT: Good morning.

09:04:55 23 Is that everyone?

09:04:59 24 MR. PALMER: I believe so, your Honor.

09:05:00 25 THE COURT: Okay. And I think I have this right

09:05:04 1 that DISH has a pending motion to transfer; is that right?

09:05:10 2 MR. ROBERTS: That's right.

09:05:11 3 MR. PALMER: That's right, your Honor.

09:05:11 4 THE COURT: I wanted to let you all know, it's my
09:05:13 5 practice to try and get -- so far, I've managed to get
09:05:18 6 motions to transfer ruled on. However, I delayed this
09:05:22 7 time because I knew I had the case before the Federal
09:05:29 8 Circuit, and I was hoping -- frankly, I was hoping it
09:05:31 9 would be resolved a little more quickly than it was. But
09:05:35 10 I also was hoping -- I didn't want to -- I didn't want to
09:05:38 11 rule on this one and have that order come out and be
09:05:41 12 inconsistent with it. So I wanted to explain the reason
09:05:44 13 that you all haven't had a ruling on your motion to
09:05:47 14 transfer.

09:05:48 15 Now that we have the ruling from the circuit, you
09:05:52 16 know, we have that information and we could take it into
09:05:55 17 account, and we plan to be working on the motion to
09:05:59 18 transfer in the very immediate future. But I just wanted
09:06:01 19 the parties to know why we had not gotten that done in
09:06:04 20 advance of this hearing. I usually try and do that. So
09:06:09 21 it was -- I was hope -- I was waiting just to see what
09:06:13 22 happened and hoped to get some guidance; and now that we
09:06:15 23 have guidance, we'll get to work on that.

09:06:18 24 So that being said, let me pull up the first
09:06:26 25 claim term we are going to be taking up. Give me one

09:06:43 1 second. My phone isn't syncing up, so I'm going to --
09:06:47 2 I'll be right back.

09:07:13 3 Okay. The first claim term is one that begins
09:07:17 4 with the words "wherein the respective." And you have our
09:07:22 5 preliminary claim construction, which has been given.
09:07:26 6 I'll start with the plaintiff and ask the plaintiff what
09:07:29 7 their position is with regard to the Court's preliminary
09:07:32 8 construction.

09:07:35 9 MR. BELLOLI: Oh, we agree with the Court's
09:07:36 10 tentative, your Honor.

09:07:37 11 THE COURT: Okay. I don't know who to start with
09:07:39 12 between the defendants. If you all have decided to both
09:07:42 13 argue or one side argue, I'm happy to hear from anyone who
09:07:45 14 is going to discuss this claim term.

09:07:55 15 MR. DURST: Roger, you're on mute.

09:07:57 16 MR. FULGHUM: Okay. Hey, let's hope that's my
09:08:00 17 only technical difficulty for today.

09:08:01 18 I'm going to handle this term for AT & T, then I
09:08:03 19 know Mr. Roberts is going to chime in, as well. And I'm
09:08:06 20 going to try to share my screen now. All right. Let me
09:08:17 21 know if you all can see my screen and can hear me okay.

09:08:23 22 THE COURT: I can for sure.

09:08:26 23 MR. FULGHUM: All right. Good deal.

09:08:26 24 So the term we're going to talk about is this
09:08:28 25 "wherein the respective video content" term, and we often

09:08:31 1 called this term the "was uploaded" term to identify one
09:08:34 2 of the method steps that is actually occurring in this
09:08:39 3 term. So I'll call it here the "was uploaded" term. And
09:08:41 4 the issue here is whether this term is indefinite because
09:08:43 5 it's a mixed method and apparatus term.

09:08:46 6 And to answer this question, we just need to
09:08:49 7 answer a few fundamental questions. Number one, for this
09:08:52 8 claim term, is it an apparatus claim? The answer there is
09:08:56 9 yes. For this claim term, does each of these claim terms
09:08:59 10 also include a stray method step? The answer there is
09:09:04 11 yes. And that leads us to the most important question for
09:09:07 12 this discussion: Can a person of ordinary skill or a
09:09:11 13 juror determine infringement in this case? And the answer
09:09:15 14 is no. That's because we've got an apparatus claim with a
09:09:19 15 method step, and there's no way to evaluate whether that
09:09:21 16 apparatus infringes. Now, let's walk through why that is.

09:09:24 17 I don't think anyone here disagrees about what
09:09:29 18 the law is here. We see no disagreement in the papers.
09:09:33 19 And the law dates back to a case called IPXL from the
09:09:37 20 Federal Circuit. IPXL has two forms. We're going to talk
09:09:41 21 about both of them. A claim is indefinite under IPXL if
09:09:44 22 there is an embedded method step that's performed by a
09:09:48 23 user. And also, a claim can be indefinite if the claim
09:09:50 24 includes functional language not specifically tied to the
09:09:54 25 claim structure. We're going to go through both of those

09:09:56 1 as part of this presentation and demonstrate how they
09:09:58 2 actually both apply in this instance.

09:10:02 3 All right. Let's start with the preambles,
09:10:06 4 Judge. Here, we have the preambles for the three claims.
09:10:09 5 We've got a set-top box, an internet-connected digital
09:10:13 6 device in the 026, and an interactive mobile application
09:10:17 7 in the 269. And everyone agrees these highlighted words
09:10:20 8 are all limiting, so these are all -- these claims are all
09:10:24 9 drawn to apparatuses, all right?

09:10:26 10 Now, here's the wherein clause, the "was
09:10:31 11 uploaded" clause. I'm showing the Judge, I'm showing the
09:10:33 12 Court an example of that clause in the claim 1 of the 388
09:10:37 13 patent. It is its own element. You'll see right there
09:10:41 14 and it's pretty lengthy, and it appears in this apparatus
09:10:45 15 claim where we've highlighted. Let's also look at where
09:10:48 16 it is in the other claims. Here's that same clause with
09:10:54 17 just minor word differences in the 026 patent. It's right
09:10:57 18 near the end as part of a series of wherein clauses. And
09:11:01 19 now let's look at the 269, and here's the last element of
09:11:04 20 the claim. Now, let's dig in a little bit more deeply and
09:11:08 21 look at how this claim reads.

09:11:10 22 Here's the entirety of the wherein clause, the
09:11:12 23 "was uploaded" clause in the 388 patent. I'm just going
09:11:16 24 to highlight some of it. We'll talk about it. Here's the
09:11:19 25 first phrase: Wherein the respective video content was

09:11:22 1 uploaded to a web-based content management system by a
09:11:27 2 respective content provider device associated with a
09:11:30 3 respective video content provider via the internet. That
09:11:34 4 tells us we've got a video content provider device that is
09:11:39 5 part of an upload from that device to a web-based content
09:11:40 6 management system, and that a video content provider is
09:11:44 7 involved. So we've already got a third party. We've got
09:11:46 8 two devices that are not the claimed device, and it says
09:11:50 9 that it was uploaded. Something has happened in the past.
09:11:55 10 It was uploaded.

09:11:57 11 Let's go on. There's a lot more in this claim.
09:12:01 12 For example, it goes on to say that the upload of the
09:12:05 13 video content occurs along with respective specified
09:12:11 14 metadata, including respective title information, all this
09:12:13 15 kind of metadata. And then, look at here, it says,
09:12:17 16 designated by the respective video content provider.

09:12:20 17 Here's something else that the video content
09:12:23 18 provider is required to do. Not only uploading video
09:12:26 19 content, we're uploading metadata, and the respective
09:12:31 20 video content provider has to designate it as part of an
09:12:36 21 apparatus claim. And then, look at the last phrasing. It
09:12:38 22 says, to specify a respective hierarchical location. It
09:12:43 23 has a purpose. The video content provider has to
09:12:46 24 designate it and specify it for a purpose. All of these
09:12:48 25 things has to be done for this claim to be practiced.

09:12:51 1 That is the plain and ordinary meaning of this claim.

09:12:54 2 This is an amazing 94 words specifying where the
09:13:01 3 video content has been, who put it there, what metadata
09:13:03 4 was included, who designated it, and the purpose. That is
09:13:07 5 clearly a method step that is embedded in each of these
09:13:10 6 apparatus claims.

09:13:14 7 Now, we talked about the first prong -- by the
09:13:17 8 way, these are "or" prongs. They're not -- you don't have
09:13:20 9 to satisfy both. We talked about the first prong about a
09:13:23 10 pixel. Here, we have a content provider who's heavily
09:13:27 11 involved, a third party. Third party has to do these
09:13:29 12 things or there's no infringement.

09:13:32 13 And I don't think there's really any argument
09:13:35 14 here about all this. I brought up -- this is from
09:13:39 15 Broadband iTV's tutorial, and they're talking about the
09:13:43 16 advantages of the invention, and they say in Broadband
09:13:47 17 iTV's approach, a content provider can upload
09:13:51 18 video-on-demand content. Then they say the content
09:13:54 19 provider also uploads metadata. So we've got content
09:13:57 20 providers taking action. In a method claim, that's no
09:14:00 21 problem, but we've got an apparatus claim: that leads to
09:14:04 22 an indefiniteness ruling because you can't tell whether
09:14:06 23 that is infringed.

09:14:07 24 Now, let's move to the second prong about a
09:14:10 25 pixel, that's where you have a method step that's not

1 related to what is claimed. The structure of what is
2 claimed. The elements of what is claimed. I want to draw
3 the Court's attention to the lower right-hand corner. See
4 where it says digital set-top box 21 in red? That is the
5 claimed device. But the upload that is claimed is
6 occurring many steps upstream between these two items in
7 blue. The enduser web browser, which is the video content
8 provider device, and the 40, which is the web-based
9 content management system. That's where the step has to
10 occur. Look how distant that is from what is claimed. It
11 doesn't even touch it. It's not even close.

12 This is a great example where you have functional
13 language. By the way all, functional language is not bad.
14 If the functional range is tied to what's claimed, that's
15 fine. If the functional language is not tied to what's
16 claimed, that's where we have a problem under IPXL because
17 it makes the claim impossible to know whether it is
18 infringed.

19 Broadband iTV's expert also agrees. This is from
20 his expert report. This is included in the briefing at
21 Exhibit 7, page 29, at docket No. 64, and look what he
22 says. I want to draw the Court's attention to the word
23 "upload." He says an upload occurs between enduser web
24 browser and the web-based content management system.
25 There is no doubt about what's going on here. No doubt.

09:15:36 1 This is from Broadband iTV's own expert, using the same
09:15:41 2 exact figure.

09:15:47 3 So what we've got here, we've got a step that
09:15:49 4 must have been performed in the past, was performed by a
09:15:52 5 third party, involves two devices that are not claimed,
09:15:55 6 and includes a bushel full of functional requirements in
09:15:58 7 those 94 words. This is an extreme example, and I would
09:16:04 8 say, Judge, it is the most extreme example of an IPXL term
09:16:08 9 that we see in the case law. It actually testifies both
09:16:11 10 examples.

09:16:11 11 Okay. If I could get -- I brought with me a
09:16:17 12 set-top box. This is a U-verse set-top box. This is
09:16:22 13 actually an accused device, as best I could tell, and I
09:16:25 14 brought in from my home collection of set-top boxes.
09:16:30 15 Judge, if I were to offer to sell you this set-top box,
09:16:34 16 there is no way that you could know whether it infringes
09:16:37 17 the 388, the 026, or the 269 patent because you would have
09:16:43 18 to evaluate whether those method steps occurred in the
09:16:46 19 past. There's no way around it. You would never know.

09:16:49 20 Put yourself in the shoes of manufacturers like
09:16:53 21 Arris, Cisco or Motorola, the historical manufacturers of
09:16:56 22 set-top box devices. How does any of them know whether a
09:16:59 23 set-top box they sell infringes? They just can't because
09:17:03 24 it depends on if the video content provider did the
09:17:08 25 upload.

09:17:09 1 And in the first bullet, did he do it along with
09:17:11 2 the metadata? Let's suppose he did the upload, but then,
09:17:14 3 the metadata was not sent along with. Let's say it was
09:17:18 4 uploaded as part of a different batch at some later time.
09:17:21 5 Would that set-top box infringe? Who knows. Who can
09:17:25 6 tell. No one. The juror can't. What if the content
09:17:29 7 provider did not designate the metadata? What if the
09:17:33 8 designation was done by the cable provider? Would that
09:17:36 9 set-top box infringe? Who knows. Nobody knows. The
09:17:40 10 set-top box provider cannot know.

09:17:42 11 But let's take another example. So on the screen
09:17:46 12 are box tops from two cinematic masterpieces of American
09:17:52 13 cinema. Let's suppose that for the Godfather, the video
09:17:58 14 content was not transferred along with the metadata.
09:18:02 15 Let's say that the metadata for the Godfather was sent
09:18:05 16 later on. Would that infringe? Would that set-top box
09:18:09 17 infringe? Again, a juror cannot know.

09:18:12 18 And now look at -- let's talk about Dumb And
09:18:14 19 Dumber. What if the content provider did not designate
09:18:19 20 the metadata for the Dumb And Dumber, but the set-top box
09:18:21 21 provider did, again, we cannot evaluate whether that
09:18:23 22 set-top box infringes. We just don't know. And also,
09:18:27 23 these two movies are old. They show them on cable TV all
09:18:32 24 the time. But what if the video content for these, what
09:18:37 25 if the designation of metadata for these occurred before

09:18:42 1 the patent issued?

09:18:45 2 One patent in this case issued May 7th -- May
09:18:48 3 9th, 2017; another issued in December 2019. How are we to
09:18:55 4 police that issue, Judge? It's just impossible because on
09:18:58 5 a method claim, all the steps have to be performed
09:19:01 6 post-issuance. What if this upload step and all of its
09:19:05 7 requirements was not done post-issuance? What if it was
09:19:09 8 also done outside the country? For a method step, every
09:19:12 9 step has to be performed in the United States. These are
09:19:16 10 just all the problems that are introduced by claims like
09:19:18 11 these.

09:19:20 12 Now, Broadband iTV has a few issues, a few
09:19:25 13 arguments, I want to just touch through some of them. One
09:19:28 14 of them is that the claims are system claims. Now, I
09:19:33 15 don't know legally what a system claim is, and I don't
09:19:36 16 think it has any special legal meaning. But I would also
09:19:40 17 submit these are not system claims.

09:19:43 18 If you look at the claim, they're drawn to a
09:19:45 19 device, and I just don't equate that to a system and it
09:19:49 20 doesn't make a difference. If you have a system claim
09:19:52 21 which is also an apparatus claim as a stray method step or
09:19:56 22 requires work done by a third party, that's indefinite
09:19:59 23 under IPXL.

09:20:04 24 Also, here, we have an argument for the 388 that
09:20:11 25 somehow, the claim 1 in the 388 is exempt from IPXL

09:20:17 1 because it's a Beauregard claim. Beauregard claims are
09:20:21 2 drawn, as the Federal Circuit says in CyberSource, to a
09:20:24 3 claim to a computer-readable medium. That is just a
09:20:27 4 storage medium. But that doesn't exempt anything from
09:20:30 5 IPXL. In fact, if you have a Beauregard claim that has a
09:20:36 6 stray method step or requires action by a third party,
09:20:39 7 that's just as indefinite under IPXL as any other claim.

09:20:42 8 And by the way, Judge, these claims are not drawn
09:20:46 9 to -- these are not Beauregard claims. I think that's
09:20:49 10 just very obvious. They're not drawn to a
09:20:52 11 computer-readable medium, they're drawn to a set-top box.
09:20:55 12 And I'll also point out, I think we're going to hear some
09:20:58 13 Beauregard argument from Broadband iTV in rebuttal, and
09:21:00 14 they cite to this case from the Eastern District called
09:21:04 15 Uniloc. And their point of law in that case is that a
09:21:09 16 Beauregard claim is one drawn to a computer system, and
09:21:13 17 you're going to see that slide. And I want to pull up the
09:21:15 18 actual quotation from that case and just show it on the
09:21:18 19 screen.

09:21:19 20 Here's Uniloc. This is a case we're going to
09:21:25 21 see, and this does not stand for the rule that any
09:21:28 22 computer system is a Beauregard claim. And I'm going to
09:21:33 23 jump ahead to the highlighted portion. Let me just read
09:21:35 24 it. A Beauregard claim is a claim to a computer-readable
09:21:38 25 medium containing program instructions for a computer to

09:21:43 1 perform a particular process, and the citation is the
09:21:45 2 CyberSource. Right there, just like we cite. There's no
09:21:50 3 argument here, and it wouldn't matter, anyway, if you've
09:21:53 4 got a Beauregard claim with a stray method step, it's
09:21:56 5 still invalid.

09:21:57 6 I also want to talk in advance a little bit about
09:21:59 7 some of the citations you're going to see, Judge, from
09:22:02 8 Broadband iTV in their rebuttal. They're going to point
09:22:06 9 out several cases. Their lead case is a case called
09:22:09 10 MasterMine. MasterMine. And I want to show MasterMine,
09:22:12 11 and I want to talk about why MasterMine applies or doesn't
09:22:16 12 apply in this case.

09:22:17 13 So here's MasterMine. MasterMine is a Federal
09:22:22 14 Circuit case -- and I've put it on the screen if you can
09:22:24 15 see it -- from 2017. And I want to jump ahead to the
09:22:29 16 claim language in MasterMine. So I've highlighted the
09:22:32 17 MasterMine claim language. This is Broadband iTV's lead
09:22:36 18 case. Let's look at how it reads. You have a system
09:22:41 19 comprising, a reporting module, wherein the reporting
09:22:45 20 module presents, receives and generates. There is no
09:22:50 21 problem with that language. There is no problem with
09:22:53 22 using functional language so long as, Judge, the
09:22:57 23 functional language is tied to the claimed device,
09:23:01 24 structure or apparatus. That is not what we have here.

09:23:06 25 That "was uploaded" clause as we showed with

09:23:09 1 figure 2A and the blue and the red, that "was uploaded"
09:23:14 2 clause occurs way upstream, five steps away, and it has
09:23:19 3 nothing to do, nothing to do with the claimed device.
09:23:23 4 MasterMine is a good example of claiming that works and is
09:23:27 5 not subject to IPXL, but that's not our case, Judge.
09:23:31 6 Completely different.

09:23:32 7 Okay. Let me continue. I promise I'm almost
09:23:41 8 done. Now, we hear a lot of arguments about capability
09:23:52 9 from Broadband iTV. I think that's going to be the root
09:23:56 10 of their argument in response. Capability. You know, if
09:23:58 11 you read these claims, you'll understand these are not
09:24:00 12 capability claims. These are claims drawn to what has to
09:24:04 13 have happened. This is not a capability of the device.
09:24:06 14 The word "capability" is not used, and that's the plain
09:24:12 15 meaning. That is the plain meaning of these claims.
09:24:15 16 There is no reading -- there is no reasonable reading here
09:24:17 17 these are capability claims.

09:24:18 18 And I know my colleague, Mr. Roberts, is going to
09:24:21 19 talk about that precise issue in more detail and I'll
09:24:24 20 allow him to do that. We had a battle of the analogies in
09:24:29 21 our briefing. Here's my favorite analogy and I not only
09:24:35 22 show the chair here, but I also show the claim language
09:24:38 23 because that's important. Claim language is what controls
09:24:41 24 here, right? So we have a chair, comprising a wooden base
09:24:45 25 coupled to four wooden legs. And here's our wherein

09:24:48 1 clause. Wherein the wood for the four legs was shipped
09:24:50 2 from warehouse A to warehouse B by AAA Movers.

09:24:55 3 You cannot look at a chair in the courtroom and
09:24:58 4 know whether that chair infringes that claim. You cannot
09:25:01 5 look at a set-top box and interconnect connected digital
09:25:04 6 device or an interactive mobile application to know
09:25:06 7 whether that upload occurred. You just can't do it,
09:25:09 8 Judge. This analogy is directly on point. We cannot know
09:25:12 9 whether that transfer was made in the past between those
09:25:14 10 two devices.

09:25:15 11 So to sum up, a juror, person of ordinary skill
09:25:20 12 in the art, no one can answer these questions. Did the
09:25:24 13 video content travel from the content provider, the
09:25:26 14 web-based content management service? Was a video content
09:25:31 15 provider involved? Was metadata uploaded along with video
09:25:35 16 content? Did the video content provider designate? Did
09:25:39 17 the upload occur post-issuance and did it occur in the
09:25:42 18 United States?

09:25:43 19 Those are all problems with this claim, and it's
09:25:46 20 all because we have an apparatus claim with an extra
09:25:51 21 method step embedded in that claim. So what we would
09:25:54 22 suggest, Judge, respectfully, is that the Court reconsider
09:25:57 23 its tentative in this case, take this matter under
09:26:01 24 advisement as needed, and find that these claims are
09:26:05 25 indefinite under the IPXL rule. And I'll conclude my

09:26:10 1 comments there and yield the microphone to Mr. Roberts
09:26:13 2 unless the Court has questions.

09:26:19 3 Hey, Judge, you may be on mute.

09:26:21 4 THE COURT: That's probably the greatest Markman
09:26:24 5 argument anyone from Dickinson, Texas has ever made. I'm
09:26:28 6 going to --

09:26:29 7 MR. FULGHUM: You know, Judge, it may be the only
09:26:31 8 one anyone from Dickinson, Texas ever made.

09:26:33 9 THE COURT: Well, if you are from the big city
09:26:35 10 like La Marque like another friend of mine, then maybe
09:26:39 11 there will be some competition.

09:26:43 12 MR. FULGHUM: That's true, Judge. Galveston
09:26:46 13 County, Judge, we're all in it together down there.

09:26:48 14 THE COURT: I'm happy to hear from Mr. Roberts.

09:26:52 15 MR. ROBERTS: Thank you so much, your Honor. Mr.
09:26:55 16 Melehani is going to share his screen for the slides.

09:27:15 17 THE COURT: Okay.

09:27:15 18 MR. ROBERTS: Slide 8, please, Will.

09:27:50 19 So, your Honor, I want to start in the same place
09:27:52 20 my co-counsel did with looking at claim 9. And I want to
09:27:57 21 emphasis that claim 9 actually has within it this wherein
09:28:01 22 clause, has nine distinct requirements, and we've
09:28:06 23 color-coded them here in the rainbow. It not only
09:28:10 24 requires that the video content was uploaded, but it
09:28:12 25 requires where it was uploaded to, what device uploaded

09:28:16 1 it, who that device was associated with, the channel in
09:28:23 2 which that device uploaded the content, the format in
09:28:28 3 which that digital video was uploaded, what metadata was
09:28:33 4 included with that upload, who designated that metadata,
09:28:40 5 and the purpose for which that metadata was designated.

09:28:44 6 And when Mr. Fulghum says that you can't know
09:28:49 7 whether or not somebody infringes, I just want to add a
09:28:51 8 slight modification to that. You can't know whether
09:28:53 9 someone infringes without looking at whether these nine
09:28:57 10 requirements are met, meaning you can't know from looking
09:29:00 11 at the set-top box itself. You have to look at whether or
09:29:05 12 not there was data that was, in fact, uploaded, whether it
09:29:10 13 was uploaded to a web-based content management system, who
09:29:13 14 uploaded it, how it was uploaded, what metadata went along
09:29:17 15 with that upload, and why that third party designated the
09:29:21 16 metadata.

09:29:22 17 And I want to pause on that last requirement
09:29:24 18 because this is, I think, real unique in the case law. In
09:29:28 19 the case law, what we see is the Court saying where you
09:29:34 20 have a third party or even a user of the system performing
09:29:38 21 a method, that's sufficient to justify or to invoke IPXL
09:29:43 22 and to create invalidity. Here, we have to look not only
09:29:48 23 at whether some third party took an action, but why they
09:29:52 24 took the action.

09:29:54 25 If you look at the pink language, it has to have

09:29:58 1 been designated by the video content provider for a
09:30:01 2 purpose: To specify. This isn't language about how that
09:30:06 3 was used. This isn't about how it's consumed by the
09:30:10 4 system. How the set-top box makes use of it. This is the
09:30:14 5 purpose for which it was designated. Even if it's used
09:30:19 6 for this purpose, if it wasn't designated for this
09:30:22 7 purpose, if it wasn't designated to specify, this claim
09:30:27 8 limitation wouldn't be met.

09:30:29 9 And so, when Mr. Fulghum says you can't know,
09:30:31 10 what he means and what we would submit we mean is, you
09:30:34 11 can't know without looking at both the actions of a third
09:30:39 12 party, the equipment that third party used, and the intent
09:30:44 13 of that third party, why they did what they did. And that
09:30:49 14 is really extraordinary relative to the case law.

09:30:52 15 Next slide, please. This is from IPXL itself,
09:30:59 16 and the Court in that case found that the claim before it
09:31:03 17 was invalid because it was unclear whether infringement
09:31:08 18 occurs when you create the system or whether infringement
09:31:12 19 occurs when the user actually uses the system. And here,
09:31:20 20 we also have that same problem. In order to get
09:31:26 21 infringement, I believe, you have to look at whether or
09:31:29 22 not the data was uploaded. It's not sufficient to merely
09:31:33 23 look at whether or not we created the system, whether we
09:31:37 24 created a set-top box, whether we sold a set-top box.

09:31:41 25 You have to look at whether some user, this

09:31:47 1 content provider actually uploaded data according to the
09:31:51 2 nine requirements of the wherein clause. And if you look
09:31:54 3 at the bottom quote here from IPXL, it says, a
09:31:57 4 manufacturer or seller of the claimed apparatus would not
09:32:00 5 know from the claim whether it might also be liable for
09:32:04 6 contributory infringement because a buyer or user later
09:32:08 7 performs the claimed method. And here, we have the same
09:32:11 8 problem.

09:32:13 9 How are we going to know from this claim whether
09:32:17 10 we are liable for contributory infringement at the time
09:32:19 11 that we sell it? Our liability appears from the claim to
09:32:23 12 turn on whether or not these uploading steps happened in
09:32:29 13 the matter with the equipment and for the purpose recited
09:32:34 14 in the wherein clause. You have to have that information
09:32:39 15 in order to know. And that goes well beyond the case in
09:32:42 16 IPXL. I know that in IPXL, it was a user of the claimed
09:32:46 17 apparatus. And here, the person performing the upload is
09:32:50 18 not a user of the claimed apparatus, it's an entirely
09:32:54 19 separate third party; and you not only need to know what
09:32:58 20 they did, you need to know why they did it.

09:33:01 21 And when Mr. Fulghum says this is the most
09:33:05 22 extraordinary IPXL claim, this is, I believe, what he's
09:33:08 23 referring to because it goes so far beyond the problems
09:33:11 24 that were present even in IPXL. Next slide. This is
09:33:18 25 Katz. Katz is another Federal Circuit claim finding an

09:33:23 1 IPXL problem. And this is a discussion of the plaintiff's
09:33:28 2 attempt to distinguish IPXL. And as the Court said, Katz
09:33:33 3 seeks to distinguish IPXL on the ground that the term
09:33:37 4 "wherein," which is the same term we have here, does not
09:33:41 5 signify a method step but, instead, defines a functional
09:33:45 6 capability. And this is Mr. Alberti's exact point. This
09:33:50 7 is what the plaintiffs are arguing for them.

09:33:51 8 We disagree and uphold the district court's
09:33:55 9 ruling. Like the language used in the claim at -- those
09:33:58 10 in IPXL, the language used in Katz's claim, wherein
09:34:03 11 callers digitally enter data and wherein callers provide
09:34:05 12 data, is directed to user actions, not system
09:34:08 13 capabilities.

09:34:09 14 And the same thing is true here, if we can go
09:34:13 15 back to slide 8, Will, please. This is not directed to
09:34:19 16 system capabilities. There's nothing in this language
09:34:23 17 talking about the capability of the set-top box. This has
09:34:28 18 nothing to do with the set-top box. It doesn't talk about
09:34:31 19 what the set-top box does. It talks about how data passes
09:34:36 20 between the apparatus used for uploading and the WBCMS.
09:34:43 21 It's not talking about that part of the system at all.
09:34:46 22 It's talking about a totally different functional
09:34:50 23 requirement that happened in the past in a non-claimed
09:34:56 24 apparatus with a third party, not even a user of the
09:35:01 25 set-top box.

09:35:02 1 It's so far beyond Katz, it's so far beyond IPXL
09:35:07 2 that it really is extraordinary. If we could go to slide
09:35:11 3 11, please. So I want to hit on this capability point one
09:35:17 4 more time because I think it's really the core of their
09:35:20 5 argument. And I want to make three points about the
09:35:24 6 capability. The first is that there's no capability
09:35:26 7 language in the claim. The second is, all of the cases
09:35:30 8 that they rely on, MasterMine, UltimatePointer, Power
09:35:37 9 Integrations, they're all -- were talking about the
09:35:42 10 capability or functionality of the actual claimed system.

09:35:47 11 Here, your Honor, we're not talking about
09:35:50 12 functions of the claimed set-top box or mobile
09:35:55 13 application. And if you look at figure 2, which I have
09:35:57 14 here down at the bottom right-hand corner of the slide,
09:36:01 15 that's where the digital set-top box is in this invention,
09:36:07 16 right? It receives content from the VOD content delivery
09:36:12 17 system 44. That's where the reception is happening, at
09:36:16 18 the digital set-top box. So if we're talking about a
09:36:19 19 capability of this box, you would expect some language
09:36:24 20 about the box.

09:36:26 21 The wherein clause contains no language about the
09:36:30 22 box at all. It talks about the data that is uploaded. It
09:36:36 23 talks about who uploaded it. It talks about the channel
09:36:40 24 and method of upload. It talks about the purpose of the
09:36:43 25 upload, but it says nothing about the box being programmed

09:36:47 1 to perform. It says nothing about the reception by the
09:36:51 2 box. It's about this blue link up here at the top. And
09:36:57 3 so, my point is, it is not talking about the capabilities
09:37:00 4 of the box because it's not talking about the box at all.
09:37:06 5 It's talking about what happened in the upload step.

09:37:10 6 And, your Honor, we will get to this a little bit
09:37:12 7 later, but -- well, perhaps I oughta show this now. Will,
09:37:20 8 could we have slide 15, please? So this is the inventor's
09:37:27 9 affidavit. And we're going to get to this enclosed
09:37:28 10 system, but I just want to highlight it for the Court.
09:37:31 11 And the inventor affidavit in the 997 -- by the way, your
09:37:34 12 Honor, the 997 patent is the grandfather for this entire
09:37:39 13 set of claims. So it's the first patent application.

09:37:42 14 Okay. And this is what the inventor said: I
09:37:46 15 submit it was not obvious from what was known in either
09:37:50 16 the fledgling internet-TV entries or the cable TV industry
09:37:56 17 at the time to provide a method for uploading video
09:38:00 18 content via the open internet into cable TV's
09:38:04 19 closed-content environment for viewing on TV equipment
09:38:08 20 using input from TV remote controls. There are two
09:38:09 21 portions to this invention. It is the combining of
09:38:10 22 internet upload with the closed-cable system distribution,
09:38:16 23 A and B together, it is the combination of those two
09:38:20 24 things that is allegedly novel about this invention.

09:38:24 25 And if you go back to the diagram we had in slide

09:38:28 1 11, please, that's the two components right here. The
09:38:35 2 upload via the internet and the download via the
09:38:41 3 closed-cable system. And what we're talking about here is
09:38:43 4 how the upload happens. How the upload via the internet
09:38:49 5 happens. Not how the download happens.

09:38:52 6 And the inventor and the applicant repeatedly
09:38:56 7 stressed that their invention lay in coupling those two
09:38:59 8 things together, and the wherein clause here is describing
09:39:04 9 the first part, how the upload happens. It is not
09:39:09 10 describing how the download happens. It is not describing
09:39:12 11 the capabilities of the set-top box. It is marrying the
09:39:16 12 two things together. That's where the application said
09:39:19 13 this was invented, and that is very important for
09:39:23 14 understanding it is not the capability of the set-top box.

09:39:27 15 This is a portion of what the applicant thought
09:39:30 16 was inventive about what he did, how this upload happens.
09:39:35 17 It's one of two prongs, the joining of which together, he
09:39:38 18 regarded as his invention. And the last point I'll make
09:39:46 19 about capability, your Honor, is that if you read this
09:39:49 20 upload step and these upload requirements as merely a
09:39:54 21 capability of the digital set-top box, you're vitiating
09:39:58 22 the requirement and here's why.

09:40:01 23 I have up here in the upper left-hand corner, the
09:40:04 24 first limitation of the claim from the 388, and it calls
09:40:09 25 for receiving at the set-top box via a closed system from

09:40:13 1 a video-on-demand content delivery system, and then, it
09:40:18 2 talks about the information you receive. And there's
09:40:20 3 other limitations in this claim that also talk about that,
09:40:22 4 but this one, I will use.

09:40:24 5 Once we have specified, as we have down here at
09:40:27 6 the bottom, that the digital set-top box 21 can receive
09:40:33 7 content from the VOD content delivery system, we've
09:40:37 8 already specified that it can receive content, regardless
09:40:41 9 of how it got to the VOD content delivery system. The
09:40:46 10 path dependency before the VOD content delivery system 44
09:40:50 11 is irrelevant. The capability already exists. And let me
09:40:53 12 give you an analogy.

09:40:55 13 If I say, your Honor, that you can receive a
09:40:58 14 brief from me via ECF, right? I say you receive briefs
09:41:04 15 from Mr. Roberts via ECF, that already said that you can
09:41:09 16 receive that brief, regardless of whether I uploaded it
09:41:12 17 onto my laptop from a thumb drive, whether Mr. Melehani
09:41:17 18 e-mailed it to me, whether Ms. Caridis wrote the brief or
09:41:22 19 gave it to me because she asked me to file it because I
09:41:24 20 was going to be up late, all of that stuff is already
09:41:29 21 baked in.

09:41:30 22 When you've specified the general that the
09:41:35 23 set-top box receives information or can receive
09:41:38 24 information from the VOD content delivery system, you've
09:41:40 25 already specified that all of these other things already

09:41:44 1 can happen automatically. There's no additional weight
09:41:48 2 given to it.

09:41:49 3 So when they say, oh, all we're saying here is
09:41:52 4 how you can receive data at the set-top box when we talk
09:41:55 5 about the upload, it just has to be able to receive data
09:41:58 6 that was previously uploaded. You're reading it out of
09:42:01 7 the claim because anything that can receive data from the
09:42:05 8 VOD content delivery system could receive the data if it
09:42:08 9 arrived at the VOD content delivery system, regardless of
09:42:11 10 how it arrived.

09:42:12 11 And what the wherein clause requires is, it
09:42:16 12 requires much more than that. It requires looking, as we
09:42:19 13 said, at the purpose for which the metadata was uploaded,
09:42:23 14 who it was uploaded by, how it was uploaded, the channel
09:42:26 15 in which it was uploaded, the device from which it was
09:42:28 16 uploaded. You have to know all of that information in
09:42:31 17 order to know whether infringement has occurred, and that
09:42:34 18 is completely different from all of the cases that they
09:42:38 19 are talking about.

09:42:40 20 And let me just give you, your Honor, if I may,
09:42:42 21 an example from the case law, right? If you look at
09:42:49 22 MasterMine, which is their lead case, the case Mr. Fulghum
09:42:54 23 put it up, says a system comprising a reporting module
09:42:58 24 installed within the CRM software application wherein the
09:43:02 25 reporting module installed within the CRM software

09:43:06 1 application presents a set of user-selectable database
09:43:10 2 fields. That is language talking about what the reporting
09:43:15 3 module within the claimed apparatus does. The
09:43:21 4 functionality of the claimed apparatus.

09:43:23 5 This is not talking about the functionality of
09:43:25 6 the claimed apparatus. This is talking about what
09:43:29 7 happened in the past between unclaimed apparatuses by a
09:43:35 8 user for a purpose. And that's just very, very different
09:43:40 9 from all of the cases that talk about capability. And
09:43:45 10 with that, your Honor, I'll turn it over to opposing
09:43:47 11 counsel.

09:43:54 12 MR. BELLOLI: Good morning, your Honor. Marc
09:43:56 13 Belloli for plaintiff.

09:43:56 14 I want to start by asking if you have any
09:43:59 15 questions first. If not, I can share my screen and jump
09:44:00 16 in. Sorry, your Honor, you're still on mute.

09:44:04 17 THE COURT: I guess we will need -- will need
09:44:07 18 you, if you're going to rely on it being a Beauregard
09:44:11 19 claim, to explain why that's so because there were not
09:44:14 20 specific words used. And also, I want you to focus on the
09:44:22 21 issues regarding uploading, you know, whether it's an
09:44:27 22 attribute of the video content or a method. But my guess
09:44:32 23 is, everything I want to know, you're planning on telling
09:44:36 24 me. So if there's anything you don't hit on, I'll ask
09:44:39 25 you.

09:44:39 1 MR. BELLOLI: Perfect. Thank you, your Honor.
09:44:49 2 Sorry. One second, your Honor. All right. Thank you,
09:45:00 3 your Honor.

09:45:00 4 Now, we've got claim 1 of the 388 patent up. I'm
09:45:04 5 not going to focus on the Beauregard vs. Knox (phonetic)
09:45:07 6 because ultimately, I don't think it matters. And I
09:45:08 7 think, as we said in the reply, it's besides the point for
09:45:11 8 determining whether there's an improper method step
09:45:15 9 injected within these claims. So let's pull back. These
09:45:17 10 claims are --

09:45:18 11 THE COURT: Well, if it doesn't really matter to
09:45:20 12 your argument, then I'm -- we don't need to spend a lot of
09:45:22 13 time on it.

09:45:24 14 MR. BELLOLI: Yeah. I'll keep it to why there's
09:45:26 15 not an improper method step put in these claims.

09:45:29 16 THE COURT: That might be better.

09:45:31 17 MR. BELLOLI: Perfect.

09:45:32 18 So these claims are about set-top boxes. They're
09:45:34 19 an internet-connected device, which is a set-top box, and
09:45:39 20 they're configured to or programmed to receive and use a
09:45:42 21 certain type of data, a specific type of data. So that's
09:45:46 22 the environment in which we're talking about. We have a
09:45:50 23 set-top box that's going to receive video content and
09:45:54 24 metadata about that content from somewhere to build this
09:45:58 25 electronic program guide, this highly specific electronic

09:46:01 1 program guide that makes it easier for viewers to drill
09:46:04 2 down, navigate and locate the kind of information and
09:46:07 3 titles they want.

09:46:08 4 So if we look at claim 1 of the 388 patent, here
09:46:11 5 you have a set-top box that's programmed to perform
09:46:15 6 certain steps. The first step is step (a), receiving, and
09:46:19 7 you receive certain metadata that's used to generate this
09:46:24 8 content menu. And we'll step over the wherein clause for
09:46:26 9 a second. In steps (b) and (c) that that menu and that
09:46:31 10 metadata that's used for the user to drill down, find what
09:46:35 11 it wants. And then, step (d) is receiving that video
09:46:39 12 content. So this is what the set-top box is doing.

09:46:43 13 Now, let's go back to the wherein clause. The
09:46:46 14 wherein clause is that what's being received, this is
09:46:50 15 video content and specific metadata, and it's telling you
09:46:53 16 where it was received from. It's not an affirmative
09:46:57 17 method step, it's just saying, is this set-top box
09:47:01 18 programmed to receive video content and metadata that was
09:47:07 19 uploaded to this web-based system and pulled down by the
09:47:12 20 set-top box for use?

09:47:14 21 Here's another claim. Give me one second, your
09:47:22 22 Honor. I need to change slides here. Going back to the
09:47:33 23 026 patent, same kind of thing. We have here an
09:47:39 24 internet-connected device in the first limitation after
09:47:41 25 the preamble, and that's the set-top box. It's configured

09:47:47 1 to obtain and present this electronic program guide using
09:47:50 2 a bunch of metadata. That's the long limitation right
09:47:54 3 after the preamble.

09:47:58 4 At the end of the claim, it talks about how it
09:48:00 5 also receives the video. Then there's the wherein clause
09:48:01 6 that defendants want to assail, and all it's saying is,
09:48:05 7 again, that this internet-connected device is configured
09:48:09 8 to obtain and present data from this other site.

09:48:14 9 So let me give you an analogy. I think it's
09:48:18 10 highly relevant to the HTC case, which I actually think
09:48:20 11 was the most apt case of all the ones that were cited by
09:48:23 12 either party. Let's say you had a claim on a cellphone
09:48:29 13 and that phone -- you're not the claiming the network, but
09:48:32 14 you're claiming the phone and you're saying that phone is
09:48:35 15 configured to receive 4G signals that are based on a text
09:48:44 16 message a user sent. There's no method step there.

09:48:45 17 You're merely claiming the functionality of the
09:48:48 18 phone that it can take this complex 4G signal, and you
09:48:52 19 could have all kinds of limitations about what that signal
09:48:56 20 is and that it came from a user. That's not a method
09:48:59 21 step, it's just a capability of the phone. Just like
09:49:02 22 here, we have a set-top box that's configured to receive a
09:49:07 23 specific kind of metadata and a specific kind of video
09:49:11 24 from a third -- from a third place. That's all it is.

09:49:16 25 So all that's being claimed here is the set-top

09:49:19 1 box and how do you determine infringement? Is it
09:49:21 2 configured to be able to receive, use, process that data?
09:49:26 3 And if it is, there's infringement. And honestly, that's
09:49:33 4 the crux of it.

09:49:34 5 If you have these set-top boxes, can they receive
09:49:39 6 this metadata, the specific kind of metadata? And this
09:49:41 7 metadata is needed to create these templated electronic
09:49:46 8 program guides. So can this internet-connected device
09:49:49 9 receive and make use of this in accord with the other
09:49:53 10 limitations of the claim? And can it receive it from a
09:49:55 11 web-based content management system in accord with these
09:49:59 12 wherein clauses? And if so, you have an
09:50:01 13 internet-connected device, a set-top box, whatever
09:50:04 14 structure that has -- that performs all the functionality
09:50:10 15 of the claim.

09:50:10 16 So merely noting where in the environment you're
09:50:14 17 going to get the data from and what that data is going to
09:50:18 18 be that your claimed system's going to use does not inject
09:50:22 19 affirmative method step. It just says, hey, look, this is
09:50:27 20 the data. This is the data structure that we're going to
09:50:30 21 use to create this templated video-on-demand display on
09:50:34 22 the claimed set-top box.

09:50:36 23 So you're effectively claiming what -- or saying
09:50:41 24 what the input is that's going to go in. Like the analogy
09:50:45 25 we gave in our briefing where you have a system for

09:50:49 1 pressing pennies that you see at a carnival and it's a
09:50:53 2 system for pressing pennies done by the U.S. Mint, so it's
09:50:55 3 designed to take that penny and press it. It doesn't mean
09:50:58 4 that we -- you know, you're claiming the step of the U.S.
09:51:03 5 Mint, minting that penny.

09:51:10 6 If your Honor has any questions. I mean, that
09:51:12 7 really is the crux of it. You're claiming, you know, what
09:51:16 8 this system is designed to make use of, to receive, and to
09:51:22 9 be used in the functionality of creating this templated
09:51:28 10 video-on-demand display.

09:51:29 11 THE COURT: What do you say in response -- and I
09:51:34 12 -- to me, it seems to me like something the experts will
09:51:37 13 have to take up on infringement.

09:51:38 14 What do you say in response to Mr. Fulghum's list
09:51:43 15 of horrors that all the questions he said that can't be
09:51:47 16 answered with respect to what DISH or the other, you know,
09:51:53 17 defendants -- you know, AT & T do here?

09:51:56 18 MR. BELLOLI: It doesn't matter when it was
09:51:58 19 uploaded. I mean, that's kind of the thing. Why does it
09:52:01 20 matter when it was uploaded? Because we're not claiming
09:52:03 21 when something was uploaded. We're claiming a set-top box
09:52:07 22 that makes use of certain data -- that pulls down that
09:52:12 23 data and uses it to create this video-on-demand display.
09:52:17 24 It's a digital component -- a digital input is really what
09:52:20 25 it is.

09:52:21 1 So when that content, when that video was
09:52:23 2 uploaded, doesn't matter. I mean, you could show a Sean
09:52:29 3 Connery video from the '50s, as long as it was uploaded --
09:52:33 4 you know, if the content was uploaded to a web-based
09:52:36 5 content management system and this set-top box can pull
09:52:38 6 that down and get it.

09:52:42 7 THE COURT: Okay. If I could have a brief
09:52:45 8 response from counsel for either of the defendants.

09:52:52 9 MR. FULGHUM: Thank you, your Honor. This is
09:52:53 10 Roger Fulghum.

09:52:54 11 I'll make a few points. And what I'd like to do
09:52:56 12 is share my screen again. And if Mr. Belloli would --
09:53:04 13 thank you very much. It looks like Mr. Belloli's still
09:53:07 14 sharing.

09:53:09 15 MR. BELLOLI: Yeah. Sorry. Give me one second.

09:53:22 16 MR. FULGHUM: All right. And just for the sake
09:53:24 17 of guiding this short discussion, Judge, and I promise, I
09:53:27 18 will not be long on this, let's put the claim language
09:53:31 19 back up.

09:53:34 20 Mr. Belloli's discussion, I think, is interesting
09:53:37 21 because here's some phrases that he used. He said the
09:53:40 22 claim was -- he said the set-top box and the claim was
09:53:44 23 programmed to receive and use. Words you won't find in
09:53:47 24 the claim. He said, also, and I wrote this down, he says
09:53:50 25 it's configured to receive a specific kind of metadata,

09:53:54 1 words you won't find in the claim. His example,
09:53:58 2 configured to receive 4G data, won't find that in the
09:54:01 3 claim. This is all trying to rewrite the language of the
09:54:06 4 claim. They were the masters of their claim and could
09:54:08 5 have written a claim that didn't invoke IPXL, but they
09:54:12 6 didn't do that.

09:54:13 7 I also noticed that Mr. Belloli's entire argument
09:54:16 8 is focused on this introductory phrase literally speaking
09:54:20 9 what I have highlighted here, says nothing about the
09:54:23 10 "along with" limitation. Again, how do we know the
09:54:26 11 metadata and the -- the metadata and the video content
09:54:30 12 were submitted along with in that upstream path? Because
09:54:34 13 what difference does that make if they were transmitted
09:54:36 14 along with or not along with? What if they were combined
09:54:39 15 at some later point? Let me just show this.

09:54:41 16 Let's go back to figure 2A. The "along with"
09:54:45 17 requirement is between the end user web browser, the
09:54:49 18 content provider device, and the WBCMS. Judge, what if
09:54:52 19 they weren't along with here, but they became along with
09:54:55 20 down here at the bottom? You know, the bottom line here,
09:55:00 21 Judge, is -- and, also, all this talk about attributes and
09:55:03 22 configurations, there is nothing in the claim that
09:55:06 23 requires, or is specific, or discusses why it's important
09:55:12 24 that the data had been previously transferred between a
09:55:16 25 video content provider device and a WBCMS. Nothing. I

1 mean, there is nothing in there. There's nothing about
2 the "along with" requirement.

3 Mr. Belloli said not one word about the purpose
4 requirement in those 94 words. He has taken 94 words and
5 he's condensed them into what he wants it to read, which
6 is program to receive and use, and that's not what the
7 claim reads. Broadband iTV was the master of their claim.
8 They wrote a claim that no one can determine whether it
9 infringes. And as far as timing of this, it matters
10 exactly whether this was done in the past and when it was
11 done.

12 If this upload step, if this designation step
13 occurred before issuance, there is no infringement of this
14 (indicating). This is what is accused of infringement,
15 but yet, we have to go back and look at all of these past
16 events and evaluate when and where they occurred, who did
17 them, and what other devices were used. I'll submit to
18 you, Judge, this is the most extreme example of IPXL that
19 exists in the case law, and under that, under that case
20 law, we would respectfully request the Court find these
21 claims to be indefinite under IPXL.

22 THE COURT: Does the plaintiff want to respond to
23 that?

24 MR. BELLOLI: Yes, your Honor. If I could share
25 my screen.

09:56:39 1 Okay. So if we look at claim 1, if everyone can
09:57:06 2 see it -- it should be up -- of the 388 patent, again,
09:57:12 3 programmed to, it is in there. It's a set-top box
09:57:14 4 programmed to perform these steps, receiving, providing in
09:57:19 5 response to and receiving. Generally speaking, getting
09:57:22 6 metadata, creating this menu, the user going through the
09:57:25 7 menu, and receiving the video in response to picking it.
09:57:28 8 And all the wherein clause that they're pointing to, is
09:57:32 9 that metadata and is that video? It's information about
09:57:35 10 it.

09:57:36 11 So when there's a bunch of information about the
09:57:38 12 metadata in there, that's the data that's the input. So
09:57:44 13 all we're talking about, again, just like the cellphone
09:57:46 14 example that I gave, a cellphone that's configured to
09:57:49 15 receive 4G signals based on a text message from a user,
09:57:53 16 same thing here: A set-top box configured to receive
09:57:57 17 video and meta -- and very specific metadata from a
09:58:02 18 certain source. Same kind of thing. It's not injecting
09:58:05 19 an improper third-party method step. It's just saying,
09:58:11 20 look, this is the input that this box is going to work on.
09:58:13 21 And how do you know if the box is capable of doing this?
09:58:17 22 Well, you look at the source code.

09:58:19 23 I mean, they've got no trouble applying these
09:58:23 24 claims to the art in the IPRs. They haven't objected to
09:58:26 25 the infringement contentions of saying, oh, we can't tell

09:58:29 1 where you're pointing to that the information's coming
09:58:31 2 from. This is pretty straightforward. We're talking
09:58:35 3 about a set-top box within an environment -- with a
09:58:39 4 video-on-demand environment, and we're claiming that
09:58:42 5 set-top box. And when we talk about the video and the
09:58:44 6 metadata, it's merely saying what that metadata is, what
09:58:47 7 that video is, where it's coming from.

09:58:53 8 MR. ROBERTS: Your Honor, if I may respond
09:58:55 9 briefly.

09:59:00 10 THE COURT: Sure.

09:59:00 11 MR. ROBERTS: So I'd like to make two points,
09:59:12 12 your Honor. The first point I want to make, your Honor,
09:59:14 13 is that what plaintiff's counsel is saying is that this
09:59:17 14 wherein clause merely claims the metadata that is provided
09:59:20 15 to the set-top box. Capability of a set-top box to
09:59:24 16 receive that metadata. But you know that that's not true
09:59:28 17 because the metadata that is called out in the wherein
09:59:31 18 clause is not received by the set-top box in this claim.

09:59:35 19 What this claim limitation calls for along with
09:59:42 20 is the metadata, it says along with respect to specified
09:59:48 21 metadata, including title information, category
09:59:51 22 information and subcategory information. That's what's
09:59:53 23 uploaded. And if you look at the claim later on, what it
09:59:58 24 says is, received is a hierarchical video-on-demand
10:00:06 25 content menu that lists titles using the same hierarchical

1 structure of the category and subcategory information as
2 was designated by the content provider.

3 This metadata is not received by the set-top box.
4 The metadata is used to create a category menu, and the
5 structure of that menu reflects the structure of the
6 metadata. But the claim does not call for this metadata
7 being sent to the enduser. The metadata is used to create
8 the menu, and the menu is sent to the enduser. This is
9 not merely the data that is consumed and the set-top box
10 must be capable of receiving this data. That's not at all
11 what the claim says.

12 And the second point I'd like to make is that you
13 can't look at the set-top box. The set-top box can't be
14 constructed, you can't build a set-top box to distinguish
15 between data that meets these requirements and data that
16 doesn't meet these requirements. How am I supposed to
17 build a set-top box as a manufacturer to know whether or
18 not the metadata was uploaded via the internet? How do I
19 -- to the web content. How do I build a set-top box,
20 manufacture it to know whether or not the metadata that
21 accompanied the upload was uploaded for a purpose?

22 I can't as a manufacturer build a set-top box
23 that distinguishes between something that meets these
24 requirements and something that doesn't meet the
25 requirements. And what Mr. Belloli is saying is that the

10:01:47 1 requirements are only partially limiting, therefore. That
10:01:51 2 many of these things are not limits. And in fact, I think
10:01:54 3 he said that expressly when he said, we don't care when it
10:01:57 4 was uploaded. It doesn't matter. They are functionally
10:02:01 5 reading this out of the claim. They're trying to read it
10:02:03 6 as not being a limitation, and that can't be right, your
10:02:08 7 Honor.

10:02:09 8 You have to know who did it, how it was done,
10:02:11 9 where it was done, and why they did it, and you can't know
10:02:16 10 that from looking at the set-top box. You can't. Thank
10:02:21 11 you.

10:02:25 12 MR. BELLOLI: Your Honor, if I may respond.

10:02:26 13 THE COURT: Sure.

10:02:37 14 MR. BELLOLI: You should have the 388 patent,
10:02:38 15 claim 1 up. And if you look at step A, what's received is
10:02:42 16 this video-on-demand application-readable metadata. So
10:02:46 17 that's what's received, and what's talked about in the
10:02:48 18 wherein clause is exactly that metadata and the components
10:02:52 19 that go into that metadata. So again, this is like -- the
10:02:56 20 wherein clause is like saying, you know, it's just the
10:03:03 21 construct of that video-on-demand application-readable
10:03:07 22 metadata that's received in the first step.

10:03:10 23 So that's what goes into all that metadata is all
10:03:12 24 those extra, the category information, subcategory
10:03:15 25 information, title information, that's the stuff that's

1 used as a subcomponent of the video-on-demand
2 application-readable metadata that's received and used by
3 the set-top box.

4 So again, this wherein clause is talking about
5 the video and the metadata that is used by the system, and
6 that makes sense because we're talking about
7 video-on-demand. The video and the metadata is going to
8 come from somewhere, and these are just inputs used and
9 processed by the claimed set-top box. Just like if you
10 said, hey, I have claim on a house and one of the elements
11 is nails, we don't care when that nail was made, we don't
12 care where it was made, when it was made, it's just a
13 component that's used in the claimed house.

14 Here, you have the claim set-top box and what's
15 it going to act on, what's it going to receive, what's it
16 going to use? Obviously videos and metadata associated
17 with those videos, because we're talking about
18 video-on-demand and taking metadata associated with that
19 video-on-demand to create a better program guide, a
20 templated program guide, the novel aspect of this
21 invention.

22 So it's not injecting some erroneous third-party
23 method step, completely unencumbered from the claim
24 structure. No. It's talking about the data structures
25 that are used by the set-top box to execute the

10:04:39 1 functionalities of the claimed set-top box, and it is not
10:04:42 2 claiming some method by someone else.

10:04:45 3 THE COURT: Okay. I'm going to go off the record
10:04:49 4 for a few seconds and I'll come back on.

10:13:50 5 We're going back on the record. I will tell you
10:13:53 6 that those were probably three of the very best arguments
10:13:58 7 that I've heard. And I've done a fair number of Markmans
10:14:03 8 now. Mr. Fulghum wins for being the most passionate about
10:14:08 9 a claim term that I've heard in a long time. Mr. Roberts
10:14:11 10 was much more subdued, but equally effective.

10:14:16 11 Here's -- I won't belabor this, but here is the
10:14:20 12 way I basically view the arguments that were just made.
10:14:25 13 I'm not going to find that it's indefinite. I think while
10:14:33 14 the defendants' arguments are very compelling, it seems to
10:14:36 15 me that they are really summary judgment arguments to be
10:14:40 16 taken up either after the plaintiff has given its
10:14:43 17 infringement contentions or after the plaintiff has
10:14:47 18 prepared expert reports and explain to the defendants.
10:14:50 19 Because if failing everything that Mr. Fulghum and Mr.
10:14:55 20 Roberts say they can't prove, if they have an expert that
10:14:59 21 -- if they get through infringement contentions and can
10:15:01 22 show that they do, in their opinion, if they have an
10:15:05 23 expert that will explain why, we'll be in one situation;
10:15:09 24 and if they can't, then a motion for summary judgment will
10:15:16 25 be -- an early motion for summary judgment will be taken

10:15:18 1 up by the Court.

10:15:20 2 Let me ask you this. On the next claim term,
10:15:24 3 "wherein the respective video-on-demand
10:15:29 4 application-readable metadata is generated," et cetera,
10:15:33 5 are there arguments that are substantively different than
10:15:37 6 what I just heard from either of the defendants?

10:15:40 7 MR. FULGHUM: So, your Honor, let me speak to
10:15:42 8 that. The wording is different. It goes to the portion
10:15:45 9 of IPXL where you have a method step that is not performed
10:15:50 10 by the claimed apparatus. And if you don't mind, your
10:15:55 11 Honor, if you can indulge, me, I just have a few slides on
10:16:00 12 that I wouldn't mind showing the Court.

10:16:01 13 THE COURT: No, no. I'm happy for you to. That
10:16:03 14 was why I asked the question.

10:16:06 15 MR. FULGHUM: And, your Honor, may I ask a point
10:16:09 16 of clarification?

10:16:10 17 THE COURT: Sure.

10:16:12 18 MR. FULGHUM: About your ruling. Are you
10:16:13 19 foreclosing us from making a later motion for
10:16:16 20 indefiniteness?

10:16:17 21 THE COURT: No.

10:16:18 22 MR. FULGHUM: By your ruling?

10:16:19 23 THE COURT: No, I'm not.

10:16:22 24 MR. FULGHUM: Okay.

10:16:22 25 THE COURT: No. I'm -- it just strikes me that

10:16:27 1 -- well, I'll put it on the record because I want the
10:16:30 2 record to be clear. I think that for purposes of the
10:16:34 3 Markman and with the clear and convincing standard at this
10:16:38 4 point, I am determining it is not indefinite.

10:16:41 5 However, it is clear that you and Mr. Roberts
10:16:44 6 have raised a substantial number of issues that you have
10:16:48 7 asserted cannot be established in the infringement
10:16:52 8 contentions, and I see no reason why you could not -- a
10:16:58 9 defendant could not argue that they're not met and that I
10:17:01 10 was wrong and that it is indefinite. But I think the
10:17:05 11 appropriate time to take up that issue for this particular
10:17:11 12 claim term is either after the infringement contentions --
10:17:14 13 the final infringement contentions have been provided you
10:17:17 14 or the final expert reports on infringement have been
10:17:21 15 provided.

10:17:21 16 I know, having represented a lot of companies and
10:17:26 17 defendants, that is a less happy way of doing it because
10:17:29 18 you have the expense -- additional expense of going
10:17:31 19 through that process. However, I think that the plaintiff
10:17:35 20 has sufficiently -- and I'm not -- I didn't say that for
10:17:40 21 any reason other than I try and take all of that into
10:17:42 22 consideration as I'm trying to come up with the
10:17:44 23 appropriate thing to do here.

10:17:45 24 That being said, I think the plaintiff's argument
10:17:49 25 was compelling to survive an argument at the Markman stage

1 that the patent -- that this claim term is indefinite.

2 And I think that the standard he's got of -- they've got

3 -- and they filed the suit that this is not a surprise.

4 They know they're going to have to do this. They're going

5 to have to explain to you and Mr. Roberts why you infringe

6 and survive a motion for summary judgment that I think you

7 and Mr. Roberts have teed up quite well.

8 MR. FULGHUM: Okay. Thank you.

9 Go ahead, Mr. Roberts.

10 THE COURT: I'll say, also, on behalf of the

11 plaintiff, I think he did an exceptional -- I think the

12 plaintiff's counsel did an exceptional argument in terms

13 of explaining why he thinks he'll be able to prove

14 infringement. So I have a completely open mind. I just

15 think this is not the right stage to resolve this issue

16 and find that it is indefinite. I think the plaintiff has

17 sufficiently survived the standard of clear and convincing

18 evidence, and I actually look forward to seeing what he

19 does to establish infringement in this case.

20 MR. ROBERTS: Your Honor, this is Mr. Roberts.

21 Without retreading, but just to protect my
22 record.

23 THE COURT: Yes, sir.

24 MR. ROBERTS: If I may make two points. The
25 first is that from our perspective, this is a pure

1 question of law and not subject to the clear and
2 convincing evidence standard. But I do hear your Honor's
3 point.

4 And the second point I want to make is that Mr.
5 Belloli said in his last at that, that the wherein clause
6 talks about receiving is referring to the metadata that's
7 received in step A. And I wanted to point out to your
8 Honor that the metadata that's received in step A is
9 application-readable metadata, and the
10 application-readable metadata is not the metadata that is
11 uploaded in the wherein clause.

12 In fact, if you go all the way to the end of the
13 wherein clause, you'll see that there is another wherein
14 clause, and that wherein clause says, wherein the
15 respective video-on-demand application-readable metadata
16 is generated according to the respective specified
17 metadata. So the way the claim works is, the user uploads
18 the specified metadata, then some unknown component in
19 another wherein clause, which is another IPXL problem,
20 generates the application-readable metadata, and then,
21 that application-readable metadata is what is received.

22 So we actually have two IPXL problems. We
23 focused on one in the argument, but there's a second one
24 below, which is why I'm asking to protect the record. And
25 then, that second metadata is what's received by the

10:20:41 1 claim. Not the specified metadata that's uploaded. Thank
10:20:45 2 you, your Honor.

10:20:45 3 THE COURT: And thank you --

10:20:45 4 MR. FULGHUM: Your Honor --

10:20:47 5 THE COURT: -- you're welcome.

10:20:48 6 Yes, Mr. Fulghum.

10:20:50 7 MR. FULGHUM: That wherein clause that Mr.

10:20:53 8 Roberts just mentioned is the subject of kind of the
10:20:55 9 second argument, and I will be very, very brief on that
10:20:57 10 argument. And if you'll allow me just to show a few
10:21:00 11 slides, I think we can kind of see what's going on here.

10:21:02 12 THE COURT: I will. Let me just respond to Mr.
10:21:04 13 Roberts.

10:21:05 14 Number one, let me make clear, I think everyone
10:21:08 15 knows, but if you don't, I certainly want you to make
10:21:11 16 whatever arguments -- I want you to protect your record so
10:21:14 17 if I'm not -- if you feel like I'm not giving you the
10:21:17 18 chance, that's accidental. So please interrupt me and
10:21:19 19 make sure that you protect your record.

10:21:22 20 But number two, again, specifically to what Mr.
10:21:27 21 Roberts just raised, I'm not -- I'm not really in a
10:21:34 22 position to be able to do anything at this point. I don't
10:21:37 23 feel it's right to decide this at the Markman level. If
10:21:42 24 the issues that you are raising are correct, like I said,
10:21:47 25 I think that the plaintiff is going to have a difficult

10:21:50 1 time establishing infringement. Because I do understand
10:21:54 2 the technical arguments you're making; I'm just not
10:21:56 3 finding at this time that they make the claim term
10:22:01 4 indefinite.

10:22:01 5 So your record's protected and I'm looking
10:22:04 6 forward to their providing infringement contentions and
10:22:10 7 expert reports that can establish what they need to, and
10:22:14 8 then, you all are going to have another bat on this once
10:22:18 9 you have those.

10:22:20 10 MR. FULGHUM: Sounds good, Judge. Sounds like
10:22:21 11 we're not foreclosed from arguing indefiniteness at a
10:22:24 12 later time, and we'll proceed from there.

10:22:26 13 THE COURT: And, Mr. Fulghum, you're up on the
10:22:28 14 next claim term.

10:22:29 15 MR. FULGHUM: Okay. Very good. Let me share my
10:22:31 16 screen again.

10:22:32 17 And, Judge, this is the wherein clause that Mr.
10:22:38 18 Roberts was mentioning just a second ago. And we call
10:22:41 19 this one that "is generated" step, and let me just jump
10:22:45 20 ahead to where it is. This is only in the 388.
10:22:48 21 Previously we talked about the 269 and the 026. This is
10:22:52 22 only in the 388 and here it is. This is at the --
10:22:56 23 remember we had two kinds of wherein clauses. This is the
10:22:58 24 94 words we talked about a second ago, but right behind it
10:23:02 25 is this clause, and it says very simply, wherein the

1 respective video-on-demand application-readable metadata
2 is generated according to the respective specified
3 metadata.

4 So again, we've got an action word "is
5 generated." And what's interesting about this is, we've
6 also got this receiving step at the top. We've heard a
7 lot about this from Mr. Belloli. It reads, receiving at
8 the set-top box respective video-on-demand
9 application-readable metadata. Now, let's put all this
10 together and we're going to animate this to show how this
11 claim works a little bit, Judge. And I think you'll find
12 this interesting.

13 Okay. Down at the bottom, wherein the respective
14 video-on-demand application-readable metadata is
15 generated. Is generated. Doesn't tell us who's doing it.
16 It just says it is generated. But notice up above, it
17 says, a set-top box programmed to perform the steps of
18 receiving respective video-on-demand application-readable
19 metadata. Okay, let's put that together. In step (a), it
20 receives it. Down here in the wherein clause, it says it
21 is generated. It makes perfect sense. And no one
22 disagrees, you've got to generate it before you can
23 receive it.

24 So the only thing the set-top box, which is the
25 claimed device, is doing is receiving it. But another

1 actor, Judge -- and we don't know who this is. Another
2 actor down here is generating it because it says, wherein
3 the respective video-on-demand application-readable
4 metadata is generated.

5 So to sum up, we've got a stray method step, it
6 is not connected to the apparatus, and it's performing a
7 function. We don't know who's doing this, and this is
8 also indefinite under IPXL. Now, what's interesting is
9 Broadband iTV agrees with us on this point, and let me
10 point that out.

11 In the responsive brief -- and Mr. Belloli can
12 speak to this -- he says that generation necessarily
13 occurs before receipt by the set-top box per language of
14 the claim. Before. There is an "is generated" step that
15 is done before. We don't know who does it, but we know it
16 has to be done. That is also indefiniteness under IPXL.

17 Now, we cited the Power Integrations case.
18 That's the district court case up in Northern District of
19 California, and I just wanted to put up some claim
20 language to show just how on point that case is, Judge.
21 On the right-hand side, we see the language from Power
22 Integration that it reads a regulator circuit, a circuit,
23 and it has a control signal in the circuit. And then, on
24 the bolded part, Judge, it says, said control signal being
25 provided. Said control signal being provided. The Court

1 in the Northern District said, well, this is indefinite
2 under IPXL because the provided step is not part of the
3 circuit. It's just provided. We don't know who did it.

4 Look at how that lines up with us. We have a
5 generating the application-readable metadata, it's not a
6 function of the set-top box. Mr. Belloli will agree with
7 that. And for that reason, it's done separately, it's
8 done before, as Broadband iTV agrees, it is not part of
9 the set-top box operation; and therefore, it's indefinite
10 under IPXL.

11 Again, Judge, I will hold up my set-top box on
12 the screen, but I think everybody's gotten tired of seeing
13 that. But we cannot look at the four corners, the
14 plastic, everything inside that set-top box, and know
15 whether the application of readable metadata was generated
16 according to the respective specified metadata. We cannot
17 look at the set-top box and know whether the generating
18 step was done post-issuance or in the U.S. We just can't
19 know.

20 This goes to the root of the IPXL problem. We've
21 got an apparatus claim with a method step embedded in it.
22 And that will conclude my presentation on this point, your
23 Honor.

24 THE COURT: Okay. Let me hear a response from
25 plaintiff, and then, I'll hear from Mr. Roberts if he has

10:27:12 1 anything he'd like to add.

10:27:14 2 MR. ROBERTS: No, your Honor. I don't have
10:27:15 3 anything to add. All I'll do is adopt Mr. Fulghum's
10:27:19 4 argument here just to simplify --

10:27:19 5 THE COURT: Okay. Thank you.

10:27:23 6 MR. BELLOLI: I need a screen share real quick.

10:27:26 7 MR. FULGHUM: All right. I'm getting out.

10:27:28 8 MR. BELLOLI: Thank you.

10:27:29 9 All right. So if we look at claim 1 of the 388
10:27:36 10 patent, which is being discussed here, so first you have
10:27:39 11 this receiving step and you're receiving this
10:27:42 12 video-on-demand application-readable metadata, and that's
10:27:46 13 what's talked about in the wherein clause. And what is
10:27:48 14 that? It's a specific data structure and it's based on
10:27:51 15 other metadata, the respective specified metadata, which
10:27:55 16 is largely what's in gray in the wherein clause.

10:27:57 17 So what is the receiving step? It's receiving a
10:28:01 18 specific kind of metadata based on other metadata. So all
10:28:04 19 you're doing is describing a specific data structure that
10:28:08 20 the system is designed to receive and make use of. It's
10:28:12 21 the same issue as the last claim term or last wherein
10:28:18 22 clause that they were talking about. Again, this is a
10:28:20 23 data structure video-on-demand application-readable
10:28:24 24 metadata that's based on certain other metadata respective
10:28:28 25 specified --

10:28:29 1 THE COURT: Let me ask you this, if I can.

10:28:29 2 RM. BELLOLI: Yeah.

10:28:31 3 THE COURT: On the wherein step.

10:28:33 4 MR. BELLOLI: Uh-huh.

10:28:34 5 THE COURT: Is that an action that needs to be
10:28:37 6 performed or is that just -- the highlighted yellow part,
10:28:41 7 is that just a description of what the metadata is?
10:28:46 8 That's the way I took.

10:28:48 9 MR. BELLOLI: Exactly. You're right. The
10:28:50 10 latter. It's a description of what it is. It's this
10:28:53 11 video-on-demand application-readable metadata was
10:28:56 12 generated based on this respective specified metadata,
10:29:01 13 which is some of the stuff that's in gray before like
10:29:03 14 category information, subcategory information. So what
10:29:06 15 you're doing is, you're receiving metadata that's built on
10:29:10 16 other metadata and so, has a specific data structure, and
10:29:14 17 that's what's being received and acted upon by the set-top
10:29:18 18 box.

10:29:18 19 It's not injecting a step to be performed by the
10:29:22 20 set-top box. It's just saying, hey, you've got this
10:29:24 21 metadata based on other metadata, and this system is going
10:29:29 22 to make use of that, effectively combine the metadata:
10:29:33 23 The video-on-demand application, readable metadata.

10:29:37 24 THE COURT: Let me hear, Mr. Fulghum, what do you
10:29:40 25 say in response to that?

1 MR. FULGHUM: Well, your Honor, I do disagree
2 with it. This is not a statement of the contents of the
3 metadata or its -- the way it's organized. If we could go
4 back to that claim language and maybe I can put mine on
5 the screen. Bear with me just a second.

6 You know, your Honor, I think what's most
7 compelling here is just the statement "is generated
8 according to." It's an action word that has to occur. It
9 tells us much more than what the format is of the
10 application-readable metadata. The application-readable
11 metadata is what is required to be received. I mean, it's
12 discussed up above, but it's generated according to the
13 respective specified metadata. I just cannot read it,
14 Judge, any other way than to require that there's an
15 actual method step.

16 Judge, look at it this way. We have verbs, is
17 generated. I mean, it doesn't say has the attributes of.
18 Has the attributes of the respective specified metadata.
19 It says is generated according to. And they say in their
20 briefing, Judge, in their own briefing, which I didn't
21 hear Mr. Belloli address, they say this step is done
22 before, before the remainder. I agree.

23 If this is a step that's done before, how can it
24 not be an actual thing? How can it not be an actual thing
25 that has to occur?

10:31:12 1 THE COURT: Okay. I'll be right back with you
10:31:13 2 guys.

10:31:15 3 MR. ROBERTS: And, your Honor, if I could add one
10:31:16 4 more thing. I do apologize.

10:31:18 5 THE COURT: Yes, sir.

10:31:19 6 MR. ROBERTS: I want to point out that Mr.
10:31:22 7 Belloli's two arguments are inconsistent. In the previous
10:31:27 8 limitation, the rest of the wherein clause, he was saying,
10:31:29 9 your Honor, this is just a capability of the set-top box
10:31:32 10 to receive this data. And now he's saying, well, no, your
10:31:36 11 Honor, that data actually is used to generate other data
10:31:39 12 and this one -- this is what's the data that's received.

10:31:43 13 You can't have it both ways. You can't point to
10:31:45 14 this limitation generating the applicable -- the
10:31:49 15 application-readable metadata and saying, your Honor, this
10:31:51 16 is just where the data comes from that's received and
10:31:55 17 then, not run into, well, then, what was the previous
10:31:57 18 limitation? That was your argument on the previous
10:31:59 19 limitation.

10:32:00 20 And so, these two things are inconsistent. If
10:32:03 21 this limitation, if he's right about this and this is just
10:32:08 22 the -- an act, you know, the attribute of -- somehow of
10:32:11 23 the data that's received, which I don't think it can be
10:32:14 24 because I don't know, again, how I make a set-top box that
10:32:19 25 can tell you the way in which the data it received is

1 generated. How do I build a set-top box that recognizes
2 the method of construction from whence the
3 application-readable metadata was constructed? It can
4 recognize the application-readable metadata, it can
5 recognize what it receives, but how do I build it to
6 recognize how that data was created, where it was created
7 from? And much less reaching back in time, where and by
8 whom and how the data that it was created from was
9 uploaded in the past. And that's why this is such an
10 extraordinary IPXL problem. Thank you.

11 THE COURT: I'll be back in just a few seconds.

12 Okay. We'll go back on the record. The Court is
13 going to make its preliminary construction its final
14 construction, which is plain and ordinary meaning.

15 We're going to move on to the next system -- the
16 next claim term, which is "closed system." I'll start
17 with the plaintiff. What is the plaintiff's position with
18 respect to the Court's preliminary construction?

19 MR. ALBERTI: David Alberti on behalf of BBitV.

20 Your Honor, we agree with the Court's preliminary
21 construction.

22 THE COURT: Mr. Fulghum, who will be arguing this
23 on defendants' behalf?

24 MR. ROBERTS: I believe I will.

25 THE COURT: Mr. Roberts, is it you?

10:36:09 1 MR. ROBERTS: Yes, sir.

10:36:09 2 THE COURT: Okay. Mr. Roberts, I'm happy to hear
10:36:11 3 from you.

10:36:12 4 MR. ROBERTS: Thank you, your Honor.

10:36:13 5 So if we could have the next slide, Will, please.

10:36:20 6 I want to start here, your Honor, on the same point I made

10:36:23 7 last time, which is that this invention comprises two

10:36:29 8 separate things put together. Uploading from the web

10:36:35 9 browser to the web-based content management system, which

10:36:39 10 we agree includes the internet. Everybody agrees this is

10:36:43 11 an internet-based upload. As we saw when talking about

10:36:47 12 the wherein clause, it expressly says it happens over the

10:36:51 13 internet. That upload was conjoined with the traditional

10:37:02 14 cable television closed-system download to make the

10:37:04 15 invention.

10:37:05 16 And if you look here in the blue circle, this is

10:37:08 17 the download path, and it's downloaded from the VOD

10:37:14 18 content delivery system 44 to the digital -- through the

10:37:19 19 digital cable television system to the digital set-top

10:37:22 20 box. And I'd like to just emphasis, your Honor, that it

10:37:25 21 says digital cable television system in this box because

10:37:29 22 we're going to come back to that later in the argument.

10:37:32 23 Okay. Next slide, please.

10:37:35 24 THE COURT: But there's no mention of cable in

10:37:36 25 the claims, right?

10:37:38 1 MR. ROBERTS: There is no mention of the word
10:37:40 2 "cable" in the claim. That is correct.

10:37:42 3 THE COURT: And the state-of-the-art at the time,
10:37:46 4 the internet did exist, correct?

10:37:48 5 MR. ROBERTS: I believe the internet did exist at
10:37:52 6 the time. Yes, your Honor.

10:37:53 7 THE COURT: Okay. So keep in mind here that I
10:38:00 8 hear these arguments, the type of arguments you're making
10:38:03 9 a lot, and it sounds to me like this is -- there may be a
10:38:09 10 written description issue here. But keep that in mind as
10:38:12 11 you're making your argument that's -- you have my
10:38:16 12 preliminary construction of plain and ordinary meaning.

10:38:18 13 And I'll tell you that that is at least for now,
10:38:22 14 before I hear your argument, if it helps you form your
10:38:25 15 argument at all, that that's the way the Court sees this
10:38:29 16 as rather than a Markman issue and the effort you want to
10:38:34 17 make for me to constrain what the claim term means by your
10:38:39 18 construction that, for the moment at least, I thought it
10:38:44 19 would be better you to hear this before you made your
10:38:47 20 argument than after, it seems to me that this is something
10:38:49 21 that is a written description issue better framed that
10:38:55 22 way. That's just the way I see it. But you're free to
10:38:58 23 make any argument that you'd like.

10:39:00 24 MR. ROBERTS: Thank you, your Honor. And I
10:39:01 25 appreciate the guidance. Can we go back two slides?

1 I want to point out, your Honor, that there are
2 actually two components to our construction. One more
3 slide, Will. There are actually two components to our
4 construction. One is a conventional cable television
5 system, and that is, I think, what your Honor is referring
6 to, which is, well, I think that that's really a
7 enablement argument -- written description enablement
8 argument. But I want to focus my argument on the second
9 component of our construction, which is that it's distinct
10 from the internet.

11 Because even if you don't think that the word
12 "closed" limits them to a conventional cable television
13 system, I think it absolutely does distinguish it from the
14 internet and here's why. So let's go back to the next
15 slide, please. So this is what they said, and I'm putting
16 up the file history again of the 997, which is the
17 grandparent of all of these applications.

18 And by the way, your Honor, what we're talking
19 about here -- the patent that we are talking about here is
20 the 388 patent, and the reason that's important is that
21 the 388 dates from the earlier of the two specifications.
22 It dates from the 2004 specification, not from the 2007
23 specification. And the 997 is talking about that earlier
24 2004 specification.

25 So this is the file history related to the

1 specification that forms the basis for the claim at issue
2 here. And what he said is, again, I submit that it was
3 not obvious from what was known in either the fledgling
4 internet TV entries or the cable industry to provide a
5 method for uploading video content via the open internet
6 into cable TV's closed-content environment. And so, the
7 words "open" and "closed" here are appearing to
8 distinguish the internet from the closed-content
9 environment of a cable television system.

10 And then, we get to the argument below. As more
11 fully explains in the affidavit of the inventor, which is
12 what we have up above, internet TV and cable TV were
13 entirely separate industries with no crossover of content
14 or business between them. These are separate fields of
15 endeavor. Internet video content on websites was not
16 selectable or viewable on cable TV networks at the time.
17 You couldn't view things over the internet via cable TV.
18 That's what's going on here. Each was a separate type of
19 content domain, and it is submitted that it was not
20 obvious for the inventor to provide a method for uploading
21 video content via the open internet into cable TV's
22 closed-content environment.

23 So even if, your Honor, you say, well, I'm not
24 going to read closed as limited to cable TV, it is
25 absolutely clear that the open internet is being

10:42:04 1 distinguished from the closed-content environment of cable
10:42:08 2 television. And to read the word "closed" as including
10:42:12 3 the open internet does great violence to this entire
10:42:15 4 structure of what they were saying was the basis of their
10:42:18 5 invention. Next slide.

10:42:19 6 THE COURT: Mr. Roberts, do you have the ability
10:42:21 7 to show me the entire claim that we're talking about and
10:42:26 8 where -- I don't have that right in front of me -- and
10:42:30 9 where closed system fits in?

10:42:33 10 MR. ROBERTS: Yes, your Honor. We certainly
10:42:34 11 could.

10:42:35 12 The closed system comes in limitation (c), I
10:42:46 13 believe. Will, can you highlight the closed-system
10:42:55 14 aspect? It's in limitation (a), excuse me. If you look
10:42:59 15 at the -- I think our best slide of it is actually going
10:43:03 16 to be the last slide of this section, which is slide 11,
10:43:16 17 Mr. Melehani.

10:43:17 18 And so, your Honor, if you look up in the
10:43:20 19 right-hand side here -- upper left-hand side, this is the
10:43:24 20 portion of the claim, and it calls for receiving at the
10:43:28 21 set-top box via a closed system from a video-on-demand
10:43:35 22 content delivery system comprising one or more computers,
10:43:39 23 blah, blah, blah. And that's talking about the
10:43:41 24 video-on-demand content delivery system 44, right here in
10:43:45 25 figure 2A; and it's talking about receiving at the set-top

1 box, that's the digital set-top box 21, via a closed
2 system from a video-on-demand content delivery system.

3 So the VOD content delivery system is 44, and
4 then, you receive via a closed system. The thing in
5 between the video-on-demand content delivery system and
6 the digital set-top box is a digital cable television
7 system.

8 THE COURT: And your position is at the time, the
9 internet would not have been able to flow through the
10 digital cable television system?

11 MR. ROBERTS: Correct, your Honor. It was not
12 envisioned. They're talking about when they try to
13 distinguish that, they talk about IPTV. And the IPTV that
14 they talk about was introduced in the 2007 specification,
15 three years later. And let's actually go right to that
16 slide. If we could go to slide 19, please.

17 So, your Honor, this is what they did in the 2007
18 specification, three years later, and you'll see if you
19 look in this later specification, on the right-hand side,
20 you still have the VOD content delivery system and the
21 digital set-top box, but instead of having a digital cable
22 television system, they've changed it and broadened it to
23 a digital television system. They've removed the word
24 "cable."

25 And in the specification, they remove all of the

10:45:20 1 references to CATV, and instead, they start talking about
10:45:25 2 digital TV system. And they say here -- and this is
10:45:29 3 Exhibit 6 from the 269, which is the later 2007
10:45:33 4 specification, they say the digital TV system in figure 4
10:45:37 5 can be any type that supports VOD programming to TV
10:45:42 6 viewers on any suitable type of VOD platform. While it
10:45:45 7 may be a cable TV system as described previously, it may
10:45:49 8 be any type of digital TV system providing TV services via
10:45:56 9 a high-speed data connection.

10:45:58 10 So in the 2007 specification, they add IPTV, they
10:46:02 11 remove the word "cable," and they expressly start talking
10:46:07 12 about digital TV systems more broadly. That's what they
10:46:10 13 did in 2007. But this is the 2004 specification. It
10:46:17 14 doesn't contain any of this language. It doesn't contain
10:46:22 15 any of this broadening. This is new material added in
10:46:28 16 2007, three years after the specification in question.

10:46:32 17 If we could go back, Mr. Melehani, to slide 15.
10:46:37 18 And I want to point that out, your Honor, because when
10:46:42 19 we're looking at what they said about their invention from
10:46:46 20 the 2004 specification, they themselves say each was a
10:46:53 21 separate type of content domain and it is submitted it was
10:46:56 22 not obvious to provide a method for uploading via the open
10:47:00 23 internet. Now we're talking about the internet and upload
10:47:04 24 into cable TV's content environment, closed-content
10:47:08 25 environment for viewing on the TV. Their invention at

1 least in the earlier spec is phrased as the combination of
2 an internet upload and a cable TV download. Next slide,
3 please.

4 And again, this is also from the 997 file
5 history. The examiner's current rejection, they're
6 traversing a rejection, they're arguing for patentability.
7 In the claims submitted, in the claims, the substantive
8 difference between uploading video content to an internet
9 TV website, which is what the prior art was, for user
10 selection and viewing and uploading video content from the
11 internet into a cable TV network for viewing by
12 drilled-down navigation, paren, the invention. And again,
13 they say they distinguish the invention from an invention
14 where you view it over the internet, which is what they
15 say is the prior art, and uploading it for viewing from a
16 cable TV network, which is the invention.

17 So your Honor's question was, well, in 2004, you
18 know, would you have viewed this over the internet via the
19 cable TV, they answer that question for you right here.
20 They say, the prior art is viewing it over the internet.
21 And different about what they do is that it's not viewed
22 over the internet: it's viewed over the cable TV network,
23 paren, the invention. So they're expressly distinguishing
24 their invention from prior art, which viewed it over the
25 internet.

1 Next slide. Again, more file history. Main
2 claim, 21 is amended. Again, they're amending the claims
3 in the parent application and arguing for patentability
4 based on those amendments. Claim 21 is amended to recite
5 more distinctly that the uploaded content via an open
6 network, paren, the internet. So right here, your Honor,
7 it is clear that the internet is an open network, and it
8 is, therefore, impossible to say that when they say a
9 closed network or a closed system, which they do in the
10 claim, they cannot be referring to the internet because
11 they are clear that the internet is an open network.

12 They're not saying that open networks include
13 some forms of the internet. The internet can be open or
14 closed. Sometimes the internet's open, sometimes it's
15 closed. It depends upon how you do the internet. They
16 don't say any of that. They say that via an open network,
17 paren, the internet is transmitted to a cable television,
18 which is a closed system.

19 Your point, as I take it, your Honor, is, well,
20 it says a cable television, which is a closed system,
21 leaves open the possibility that there are other closed
22 systems. And so, I don't want to construe closed as
23 synonymous with cable television. But that is distinct
24 from and different than claiming that closed systems
25 include the internet. Because it's clear that the

1 internet is an open network in their own terminology.

2 Next slide. The only delivery mechanism
3 disclosed in the 2004 specification, your Honor, the
4 earlier specification that is the specification of the
5 388, is cable television. That's the only one for
6 download. They say in the technical field that the
7 invention relates generally to the provision of
8 interactive television services through cable TV. And,
9 your Honor, I just put up one quote here, but again,
10 remember in the 2007 spec, they start talking about
11 digital television. But here, they're talking about cable
12 television, CATV, and that's what they talk about
13 throughout this specification.

14 Now, if we could go to slide 20. Their argument
15 is largely based upon the 2007 specification. But
16 subsequent specifications like that are not relevant to
17 claim construction of what they meant from the earlier
18 specification. And this is just from Phillips.

19 A court construing a patent claim seeks to accord
20 a claim the meaning it would have to a person of ordinary
21 skill in the art at the time of the invention. It's at
22 the time. You can't go three years in the future and say,
23 we later broadened the specification through the addition
24 of new material, and that should, therefore, allow you to
25 change what we meant back earlier in 2004. You can't do

10:52:00 1 that. Next slide, please.

10:52:04 2 Their argument has been that really when we said
10:52:07 3 closed, we're talking about permissions. We are talking
10:52:11 4 about whether or not this is for authorized users. And
10:52:17 5 here's the quote from their brief, your Honor. Claim 1
10:52:20 6 does not recite a cable television system, and the
10:52:23 7 specification discloses a web interface where video
10:52:26 8 content and metadata it received is reserved for
10:52:30 9 authorized users. That's their argument. And the cite
10:52:33 10 they give is to the web interface, the tracking system.
10:52:37 11 But look where that is in the claim.

10:52:39 12 The tracking system in their invention is
10:52:43 13 upstream of the digital cable television system. What the
10:52:47 14 claim calls for -- and we've looked at element (a) -- was
10:52:51 15 going from the video server to the digital set-top box,
10:52:54 16 and then, they refer to via a closed system, that's via
10:52:57 17 the digital cable television system. That's the claim
10:53:00 18 language in (a). And the tracking system is no part of
10:53:02 19 that transmission. The tracking system is upstream. And
10:53:08 20 what this is, your Honor, for context, this is a
10:53:11 21 particular embodiment where you're doing web-based
10:53:17 22 advertising, and the tracking system is a web interface to
10:53:19 23 that back-end advertising database.

10:53:23 24 Then if you're an advertiser, you can tell what
10:53:26 25 advertisements you've run. You can run reports on who saw

1 your advertisements. Absolutely. There's a web interface
2 up there. But when they're talking about permissions,
3 when they're talking about that tracking system, that's an
4 entirely separate part of the invention. That has nothing
5 to do with the closed versus open and whether or not this
6 is distinct from the internet.

7 Next slide, please. So I'll rest there and see
8 if Mr. Fulghum has additional comments.

9 MR. FULGHUM: For our side, it's going to be Mr.
10 Becker.

11 Mr. Becker, do you have any comments on this one?

12 MR. BECKER: Just very brief, I think, your
13 Honor. I think that DISH covered most of the arguments
14 pretty well. I did want to clarify that with respect to
15 what the applicant viewed as his invention, we agree that
16 that is what he characterized his invention as. We don't
17 necessarily agree that that was novel or wasn't known at
18 the time. So I just wanted to make that one point of
19 clarity.

20 We also agree with your Honor that this claim
21 does have written description issues. That closed system,
22 that term does not appear in the specification anywhere.
23 It's not defined by the specification. There's no
24 description of what makes the system closed versus open.
25 There's certainly no description of patentees knew --

10:54:57 1 newly found plain meaning description that it's a system
10:54:59 2 that's for authorized users only. That's not in the
10:55:01 3 patent. And so, if you -- there's certainly plenty of
10:55:08 4 ground to find that this is a term that lacks written
10:55:11 5 description. We agree on that.

10:55:12 6 If you were to do a forensic exercise -- let me
10:55:28 7 share my screen. And I think that counsel for DISH
10:55:31 8 covered this, but if you were to do a forensic exercise
10:55:34 9 and figure out, well, what could the closed system be, if
10:55:39 10 it was anything in the specification, you look at the
10:55:43 11 claim. And I have a portion of it here that counsel for
10:55:46 12 DISH also showed that has the receiving step at the
10:55:50 13 set-top box via a closed system, and what is received is
10:55:58 14 the video-on-demand content and metadata. We talked about
10:56:01 15 this quite a bit today. The only system in the
10:56:04 16 specification from which a set-top box receives any
10:56:07 17 content is the cable television system.

10:56:09 18 So if you were to find that the closed system had
10:56:13 19 support in the specification, the only thing it can be is
10:56:16 20 the cable television system. That's the only thing that's
10:56:19 21 described. And so, when we look at this argument about
10:56:23 22 authorization that's coming from Broadband iTV, they're
10:56:31 23 saying, well, a system is closed if you require
10:56:33 24 authorization. Well, there's no -- as Mr. Roberts said,
10:56:37 25 there's no description of a set-top box obtaining some

1 kind of authorization to get access to the cable
2 television system. That's not in the specification.
3 That's not a basis to find that a system's closed.

4 And if you look at the internet, the descriptions
5 in the patent do describe that users -- the enduser web
6 browser would have accounts that they would need to have
7 in order to access the web-based content in a system. And
8 as Mr. Roberts capably described, they consistently called
9 the internet open during prosecution, and they called the
10 cable television system closed.

11 So under this construction, that closed means
12 only opened to authorized users, the cable television
13 system would be open, and the web-based content management
14 system, which is accessed over the internet, would be
15 closed. So it's the exact opposite of what they said in
16 the construction during -- what they're saying now during
17 claim construction is the exact opposite of how they
18 characterize these two networks during prosecution
19 history. And with that, I would pass my arguments.

20 THE COURT: Okay. Counsel for plaintiff.

21 MR. ALBERTI: David Alberti. I'd like to share
22 my screen.

23 Okay. So given the way the arguments have gone,
24 your Honor, I'm just going to focus on the issue as to
25 whether a closed system can include the internet. Unless

1 your Honor would like to hear argument on why cable is --
2 closed system isn't limited to cable, which that hasn't
3 been argued yet, I'm just going to focus on that. And
4 I'll start with this cite that was put up and it relates
5 to the web interface.

6 And in figure 1A, it's crystal clear that the web
7 interface, which is an interface via the web, via the
8 internet, is an interface into the cable head end, which
9 counsel just told you the cable head end is a closed
10 system. So the idea that you cannot have a closed system
11 that includes the internet is belied by the patent itself
12 because the patent itself has a specific web interface
13 that goes into the cable end that provides authorized
14 users access to the cable end.

15 So right there, that should end the issue right
16 there. It's very crystal clear, cable can include the
17 internet, and it can be closed.

18 So the next slide, Mr. Roberts went into the
19 field of the invention. He focused on the first portion,
20 the first sentence of that field and ignored the second
21 clause, which says, more particularly, this invention
22 relates to a system and method for managing and
23 converting, displaying video content on a
24 video-content-on-demand platform. There's nothing again
25 here that excludes the internet or excludes any other type

11:00:25 1 of closed system.

11:00:28 2 This is interesting because, you know, we just
11:00:31 3 heard that there was nothing in the 388 patent
11:00:35 4 specification that talked about set-top boxes that were
11:00:38 5 connected to the internet, but that's just not true. So
11:00:41 6 if we take a look at the 388 patent at column 2, going --
11:00:47 7 starting from line 25 going all the way through line 56,
11:00:52 8 first of all, it talked about -- it talks about VOD
11:00:55 9 television, including web page browsing and e-mail, okay?
11:01:00 10 So those are two internet activities.

11:01:03 11 But even further, they -- the specification
11:01:06 12 incorporates by reference an application from a company
11:01:12 13 Navic that makes digital television cable systems,
11:01:15 14 including set-top boxes. And what we see here on this
11:01:19 15 slide, again, incorporated by reference into the 388
11:01:24 16 patent, it says, indeed, millions of digital set-top boxes
11:01:29 17 have already been deployed in the United States. It's
11:01:33 18 estimated that the worldwide market for internet
11:01:36 19 appliances such as digital set-top boxes and other
11:01:39 20 internet-connected terminals will reach \$17.8 billion in
11:01:44 21 2004.

11:01:46 22 Okay. This patent was tied back to the original
11:01:49 23 grandparent that was filed in 2004. It incorporates this
11:01:53 24 by reference. It specifically discloses set-top boxes
11:01:58 25 that are connected to the internet and referred to as

1 internet appliances. So any digital cable set-top box at
2 that time had -- at least some of them had this
3 capability. And again, we're talking here in 2004,
4 incorporated into the 388 patent. So the idea that it
5 somehow excludes a digital set-top box that's connected to
6 a cable company that also has an internet connection, it's
7 just incorrect.

8 And we've talked about the 269 patent. What's
9 interesting about the 269 patent very clearly talks about
10 IPTV, which is internet protocol TV, it's referred to as a
11 closed proprietary broadband system and it uses the
12 internet protocol.

13 This patent was cited -- it was submitted as an
14 IDS; so it's part of the file history, it was considered
15 by the examiner, it's consistent with the other statements
16 in the 388 patent and those statements that were
17 incorporated by reference that you can have a closed IP
18 system, internet protocol system, that's part of the
19 internet, and it -- in no way does a closed system exclude
20 the internet. In fact, it is very common to have things
21 like a VPN, which is an encrypted path that you have over
22 the internet. Even though the internet in general can be
23 referred to as open, the internet is full of closed
24 systems. So you can't say just because the word "closed
25 system" is there, it excludes the internet.

1 In fact, as we saw, the cable system in the
2 patent has a web interface. So it is accessible via the
3 internet and it is a closed system. In the 269 patent,
4 IPTV systems are by definition the internet. When it
5 defines the term "internet," it says very clearly includes
6 any type of, you know, network that connects the universe
7 of users via a common or industry-standard TCP/IP
8 protocol, short for IP protocol, that's IPTV. IPTV is a
9 closed system. Closed systems do not in any way exclude
10 using the internet.

11 The next slide, slide 41, is from our expert's
12 declaration at paragraph 39. This just provides a very
13 simple example that, look, just because you have things
14 that are available over the internet, that doesn't make
15 every system that's over the internet open, right? We
16 know any patent -- any type of thing you set up that
17 requires a log-in ID or a password such as newspapers.com,
18 just because you can access it via the internet doesn't
19 mean that system excludes the internet just because it
20 requires a log-in password and would be closed to other
21 users.

22 Now, let's talk a little bit about the file
23 history because in the file history, I think it's
24 important to point out, first of all, these patents, none
25 of them were defining the term "closed system." So if you

1 look at those claims, none of those claims that they
2 pointed to and they said, well, there was argument about
3 closed systems, none of them even use the word "closed
4 system" and tried to argue around prior art because of the
5 term "closed system."

6 And when you actually look at what they say,
7 they're consistent with -- they're not inconsistent with
8 using the internet or equating cable -- or equating a
9 closed system to only being limited to cable. They refer
10 to the internet as a, quote, open network, but again,
11 nobody's disputing that the internet itself can be an open
12 network. The question is, does a closed system exclude
13 the internet? Well, of course not. There are plenty of
14 closed systems that are accessible via the open internet,
15 including government systems and, you know, systems with
16 highly secure and confidential data. They're accessible
17 over the internet and they're closed.

18 And so, having a closed system does not exclude
19 the internet. There's nothing in any of these cites --
20 and we'll go to the next one that they point to -- that
21 again exclude the concept of having an internet that is
22 part of a closed system.

23 Here, this other cite refers to, quote, unquote,
24 the open internet. And again, the fact that they say open
25 internet suggests that there can be other types of the

11:06:55 1 internet, right? That you can have an internet with, you
11:06:58 2 know, end-to-end encryption, that would be an example of a
11:07:01 3 closed internet system.

11:07:06 4 So again, the idea that closed in some way, it
11:07:08 5 completely excludes the internet, it's not supported by
11:07:10 6 the file history, it's completely contradicted by the
11:07:15 7 patent itself, and there's really nothing else, any other
11:07:20 8 evidence that they've put forth that would qualify either
11:07:28 9 as definitional or a clear disavowal of claim scope. And
11:07:31 10 with that, your Honor, unless you have any questions, I
11:07:33 11 would pass back over to opposing counsel.

11:07:38 12 THE COURT: Mr. Roberts, anything you'd like to
11:07:40 13 add?

11:07:41 14 MR. ROBERTS: Yes, your Honor. Several things.
11:07:42 15 Mr. Alberti, if you could stop sharing your
11:07:46 16 screen.

11:07:49 17 The first thing I'd like to point out, your
11:07:52 18 Honor, is we are not even trying to argue that the set-top
11:07:56 19 box can't have an internet connection. I'm not trying to
11:07:59 20 exclude or prevent the set-top box from having a
11:08:03 21 connection to the internet. What we're trying to say is
11:08:06 22 that this claim talks in a limitation (a) -- and, I think,
11:08:12 23 Mr. Melehani, that's slide 11 again.

11:08:14 24 This claim talks about the content being
11:08:19 25 delivered via a closed system. And all we're saying is

1 that when that content is delivered via a closed system,
2 it's being delivered -- Mr. Melehani, could we have slide
3 11, please? And limitation (a) is the limitation from the
4 388 patent that we're talking about. It talks about
5 receiving at the set-top box via a closed system. I'm not
6 saying the set-top box in question can't have an internet
7 connection. I'm just saying that this particular method
8 of reception, the data being received in this limitation
9 is being received via the closed system.

10 I'm not trying to say no set-top box can have an
11 internet connection. I'm not trying to say that, you
12 know, your Honor, you've gotta exclude internet
13 connections from the set-top box. I'm just saying that
14 this limitation, this delivery happens via the closed
15 system is distinct from the internet. That's all. It's a
16 very narrow limitation. Not trying to exclude it.

17 Second, opposing counsel said that the cable head
18 end is a closed system. If we could go back to Mr.
19 Melehani, slide 21, please. First of all, your Honor, the
20 tracking system is not the method of delivery that we're
21 talking about in this claim. In claim (a), we're talking
22 about the delivery of the metadata via a closed system.
23 We're talking about what's down here at the bottom from
24 the video server to the digital set-top box. That's the
25 flow of information we're talking about. We're not

11:10:00 1 talking about the tracking system.

11:10:02 2 And when Mr. Alberti says, well, as soon as you
11:10:06 3 have a web interface to something at the cable side, then
11:10:09 4 obviously the closed system has to include the internet.
11:10:12 5 That's ignoring the whole point of the invention, which
11:10:14 6 was to bridge between an open internet upload and a closed
11:10:22 7 download. So just take the web-based content management
11:10:27 8 system. The web-based content management server system is
11:10:30 9 also at the cable -- located at the cable company. That's
11:10:32 10 how it gets the data via upload.

11:10:35 11 The fact that there's an internet connection at
11:10:38 12 one end of the system doesn't change the fact that the
11:10:43 13 distribution mechanism is closed. And what the applicant
11:10:47 14 was talking about in his invention was coupling the open
11:10:51 15 upload with the closed download, and he was distinguishing
11:10:55 16 between those two things. So the fact that the cable
11:11:01 17 system has some internet accessibility for some components
11:11:05 18 of the system doesn't suggest that closed and the closed
11:11:10 19 distribution mechanism includes the internet. That's just
11:11:16 20 a non sequitur.

11:11:17 21 Second, Mr. Alberti talked about the Navic
11:11:22 22 patent. And if the Court looks at the actual reference to
11:11:25 23 that, which is in column 2, lines 45 through 48, I'll just
11:11:31 24 read it. It says -- just to back up. It says, viewer
11:11:39 25 interfaces and interactive services for deployment on VOD

1 channels of CATV, of cable television, operators and cable
2 service areas throughout the U.S.A., a detailed
3 description of the Navic in-band system is contained in
4 U.S. patent application filed on May, which is
5 incorporated here and by reference.

6 So what they were incorporating that by reference
7 for was a detailed description of the Navic in-band system
8 expressly in the context of receiving cable television.
9 But again, I don't dispute that the Navic in-band system
10 could also receive information over the internet. Fine.
11 But that's a written description argument, which, as you
12 point out, we'll get to later. It's not a question of
13 whether the closed system here is distinct from the
14 internet because, again, I'm not trying to say that the
15 set-top box can't have an internet connection. I'm trying
16 to say that the closed system is not that internet
17 connection. That the closed is distinct from the internet
18 connection.

19 Mr. Alberti also mentioned IPTV. And I want to
20 reiterate, your Honor, that everything he talked about
21 with respect to IPTV is from the 2007 patent application
22 where they broadened the disclosure. If this patent were
23 rooted in the 2007 patent application, my argument might
24 be a lot worse than it is because there's a much broader
25 disclosure in that patent.

1 But they can't throw a broader disclosure in that
2 patent, change the disclosure of this patent. That
3 doesn't work. And he says, well, we filed it in an IDS,
4 your Honor, and because we filed it in an IDS, the
5 examiner considered it. Your Honor, it's a later patent
6 application. It's a continuation in part. Filing it in
7 an IDS, it's not even prior art if you file it in an IDS
8 because it's a later-in-time patent application.

9 And it wasn't like the examiner considered it and
10 rejected it; and even if he had, the fact that you
11 consider prior art and you filed it in an IDS doesn't
12 somehow incorporate it by reference into the specification
13 and broaden the specification. Prior art cited in an IDS
14 is not an attempt to incorporate and broaden the
15 disclosure in the specification. That's not what it is.

16 And finally, your Honor, I'll just come back to
17 the actual language that the patent owner used here to
18 talk about the distinction between the closed system and
19 the open system. And, Mr. Melehani, if we can go back to
20 a couple of slides previous.

21 Your Honor, Mr. Alberti made the point that the
22 internet is only an example of the open system. Sorry, I
23 think it's slide 16, Mr. Melehani. Sorry. One back from
24 this, 15, please. Okay. I guess it is 16. Thank you.

25 They're talking about the website being prior art

11:14:57 1 and uploading video content from the internet into cable
11:15:02 2 being the invention. And then, if we could go to slide
11:15:05 3 17. Via an open network, paren, the internet. The
11:15:11 4 internet is an open network. You can't get away from this
11:15:17 5 language that says the internet is an open network. And
11:15:22 6 therefore, we're talking about a closed network. It's not
11:15:25 7 talking about the internet.

11:15:29 8 And the terms "closed" and "opened" are used over
11:15:32 9 and over again to distinguish between cable and the
11:15:37 10 internet. And even if you're not going to read closed as
11:15:40 11 limited to cable, if this means anything, it means that
11:15:43 12 closed is distinct from the internet. Thank you.

11:15:50 13 MR. ALBERTI: Your Honor, briefly, if I can
11:15:52 14 address that.

11:15:52 15 THE COURT: Sure. Of course.

11:15:54 16 MR. ALBERTI: Okay. So just, again, there are
11:15:58 17 really two issues to consider here: A, has there been any
11:16:01 18 clear disavowal of claim scope? B, is there lexicography
11:16:04 19 that it would in any way exclude the internet from a
11:16:09 20 closed system? And the answer to both of those is no.
11:16:11 21 We've not seen anything that really addressed the term
11:16:14 22 "closed network."

11:16:15 23 What Mr. Roberts just showed you was a statement
11:16:20 24 that talked about the internet being an open network.
11:16:25 25 It's important to point out that the phrase in the claim

1 isn't closed network, it's closed system. And again, we
2 get back to the issue, can a closed system incorporate the
3 internet? And we saw it in the patent itself, defendants
4 admit that the cable system is a closed system, and we
5 have a web interface right into the cable system.

6 So the idea that a closed system excludes the
7 internet is belied by the patent specification itself.
8 And as Mr. Roberts pointed out, the Navic cite that is
9 included, incorporated by reference, is talking about a
10 cable system and their set-top boxes as set forth in the
11 Navic application are internet connected. But you've got
12 a closed system, a cable system, with internet-connected
13 appliances.

14 So again, there's just -- there's no
15 lexicography, there's no disavowal. In fact, the patent
16 teaches the opposite. You can have a closed system that
17 incorporates the internet. And with that, unless you have
18 any questions, I'm done.

19 THE COURT: I don't. The Court is going to go
20 with its preliminary construction of plain and ordinary
21 meaning.

22 Next, the next claim term is "a method for
23 receiving, via the internet, video content to be viewed,"
24 et cetera. What is the plaintiff's position with respect
25 to the Court's preliminary claim construction that this is

11:18:02 1 not limiting?

11:18:03 2 MR. BELLOLI: Marc Belloli, your Honor.

11:18:04 3 We agree.

11:18:07 4 THE COURT: Who will be arguing on behalf of the
11:18:09 5 defendants?

11:18:09 6 MR. FULGHUM: Your Honor, this is Roger Fulghum.

11:18:12 7 Morgan Mayne from our office is going to argue
11:18:14 8 this for defendants.

11:18:15 9 THE COURT: Okay. Remind her, she's standing
11:18:19 10 between us and lunch. So -- I'm kidding. I'm just
11:18:22 11 kidding. I look forward --

11:18:24 12 MR. FULGHUM: Always a dangerous spot.

11:18:25 13 THE COURT: I look forward to hearing from her.

11:18:30 14 MR. FULGHUM: Thank you.

11:18:35 15 MS. MAYNE: Your Honor, AT & T contends that the
11:19:01 16 preamble of claim 1 of each of the 026, 101 and 269
11:19:06 17 patents is limiting in its entirety. In light of
11:19:08 18 yesterday's preliminary order, we will just briefly
11:19:11 19 address the preamble of the 101 patent.

11:19:17 20 The preamble of claim 1 is limiting because it
11:19:20 21 provides antecedent basis for multiple terms in the body.
11:19:23 22 Here's the language of the claim. This slide is going to
11:19:26 23 get a little busy as we highlight some of the terms. It
11:19:30 24 will show you how much the preamble is used for
11:19:33 25 antecedent.

11:19:34 1 First, receiving video content provides
11:19:37 2 antecedent for associated video content, the video
11:19:41 3 content, and the received video content. An
11:19:46 4 internet-connected digital device provides antecedent for
11:19:51 5 the internet-connected digital device. A subscriber
11:19:55 6 provides --

11:19:55 7 THE COURT: If you think I'm seeing something,
11:19:57 8 I'm not. If you don't think I'm seeing something, then
11:20:01 9 you're fine. But you're acting like there's something
11:20:05 10 that should be on my screen and I don't have it.

11:20:09 11 MR. FULGHUM: Morgan, let's back up and share
11:20:11 12 your screen a second time and see if that will allow the
11:20:13 13 Judge to see it. Let's start over again. Judge, we can
11:20:22 14 see it, for what it's worth --

11:20:25 15 THE COURT: I cannot. Try it again. If it
11:20:27 16 doesn't work, I will exit and come back in because
11:20:31 17 sometimes that -- here we go. I think that's -- there we
11:20:34 18 go. Good. Thank you.

11:20:36 19 MR. FULGHUM: Morgan, if you would back up so we
11:20:39 20 can see the changes on the screen. I think that's
11:20:42 21 persuasive.

11:20:45 22 MS. MAYNE: All right. Here's the language of
11:20:51 23 the claim. We're going to highlight some of the relevant
11:20:53 24 terms. So as you can see here, receiving video content in
11:20:57 25 the preamble provides antecedent for associated video

1 content, the video content, and the received video
2 content. An internet-connected digital device provides
3 antecedent for the internet-connected digital device. A
4 subscriber provides antecedent for the subscriber. A
5 video-on-demand system provides antecedent for the
6 video-on-demand system. And a hierarchically arranged
7 interactive electronic program guide provides antecedent
8 for the interactive electronic program guide.

9 BI argues that the highlighted preamble terms are
10 not limiting because they are duplicative of terms in the
11 body and recite an intended use. That is not correct.
12 These terms recite far more than intended use or purpose.
13 They provide the only antecedent basis for the same or
14 similar terms in the body and are, therefore, necessary to
15 breathe life and meaning into the body of the claim.

16 Bio-Rad Labs is on point here. In Bio-Rad Labs,
17 the parties agree that the underlying term "a reaction in
18 a microfluidic system" in the method claim's preamble were
19 limiting because they provided antecedent limitations in
20 the body. The parties disputed, however, whether the
21 surrounding terms were also limiting. The Federal Circuit
22 found that the entire preamble was limiting. The Federal
23 Circuit explained that the limiting portions could not be
24 read separately from the remainder of the preamble because
25 the language relied upon for antecedent basis is

11:22:34 1 intertwined with the rest of the preamble.

11:22:36 2 The same is true here. As shown by highlighting
11:22:39 3 in the left part of the table, you'll see that the
11:22:43 4 surrounding terms such as "via the internet," "should be
11:22:47 5 viewed on," are intertwined with and not distinct from the
11:22:52 6 limiting portion such as receiving video content. Entire
11:22:56 7 preamble is, therefore, limiting.

11:23:01 8 I'd also like to point out that the preamble of
11:23:05 9 the 101 patent includes language substantially similar to
11:23:09 10 language in the preamble of the 026 patent that BI
11:23:14 11 identified as a limitation during prosecution.
11:23:17 12 Specifically, BI recently filed responses to DISH's IPR
11:23:21 13 petitions on the 026 patent. This slide shows you a clip
11:23:25 14 from BI's response. If you look at the heading, which
11:23:28 15 we've highlighted, you'll see that BI explicitly
11:23:32 16 identified the 026 patent preamble as an element of the
11:23:36 17 claim. BI thus relied on the preamble to distinguish the
11:23:40 18 alleged invention from the prior art. For this additional
11:23:45 19 reason, your Honor, we ask you to reconsider your
11:23:48 20 preliminary construction and find the --

11:23:49 21 THE COURT: Give me -- sorry. Give me just a
11:23:51 22 second. I want to read what you have on your slide. Give
11:23:54 23 me just one second. Okay. Thank you, ma'am. I
11:24:11 24 interrupted you. I'm sorry.

11:24:13 25 MS. MAYNE: I was going to say, for these

1 reasons, we ask that you reconsider your preliminary
2 construction and find the preamble limiting in its
3 entirety. Unless you have any questions, I'll pass.

4 THE COURT: I do not. Let me hear from the
5 plaintiff -- I'm sorry, yeah. Plaintiff.

6 MR. BELLOLI: Thank you, your Honor.

7 Starting on our final slide, that's about a
8 different patent that we agreed that portion of that
9 system claim preamble was limiting, but this is a
10 different patent. We're talking about the 101 patent now,
11 which is a method claim. And just not to belabor the
12 issue, the preamble of the 101 patent is the statement of
13 purpose.

14 And under the Catalina case, when you have a
15 preamble that's a statement of purpose and the method
16 steps give you the full invention, it's not limiting.
17 Second, when a preamble's merely duplicative over -- of
18 steps in the claim method, it's not limiting. That's the
19 TomTom case, 790 F. 3d 1315. And the Catalina case I
20 mentioned earlier is 919 F. 3d 801. Also, the Arctic Cat
21 case, as well, 919 F. 3d 1320.

22 And I think the slide with all the highlighting
23 kind of makes our point for us. That these various parts
24 of the preamble are used throughout the claim. I think
25 there might be slide 66 of AT & T's presentation there.

11:25:46 1 They can go to it or not. But, you know, merely providing
11:25:50 2 antecedent basis isn't enough. There has to be life,
11:25:53 3 vitality and meaning. And you can look at -- you could
11:25:56 4 cover up the preamble and look at the rest of the claim on
11:25:58 5 the 101 patent and understand the invention completely.
11:26:02 6 Highlighting there's just the statement of purpose, the
11:26:04 7 preamble is not limiting.

11:26:06 8 And unless your Honor has any questions, I will
11:26:10 9 submit and rest on the papers.

11:26:12 10 THE COURT: I do not.

11:26:13 11 Anything else you'd like to say in response, Ms.
11:26:16 12 Mayne?

11:26:16 13 MS. MAYNE: Yes.

11:26:18 14 I just want to point out that the cases on which
11:26:22 15 BI relies do not stand for the proposition that where
11:26:25 16 there's no separate antecedent basis in the body, that the
11:26:28 17 preamble terms are merely duplicative. Here, there is no
11:26:32 18 separate antecedent.

11:26:33 19 As you can see, throughout this claim and through
11:26:35 20 the highlighting, you have the antecedent in the preamble
11:26:40 21 and then, that same term or similar term in the body
11:26:43 22 simply has the word "the," meaning the only antecedent
11:26:46 23 basis was already provided in the preamble. In such
11:26:50 24 circumstances, the preamble is not merely duplicative and
11:26:54 25 not merely an intended use.

11:26:56 1 THE COURT: Okay. I'll be right back.

11:28:44 2 We'll go back on the record. The Court is going
11:28:48 3 to find that the preamble is not limiting.

11:28:52 4 The next claim term that we are going to take up
11:28:59 5 is -- begins with "a set-top box...program to perform the
11:29:05 6 steps of." And I will tell you all, this is one we spent
11:29:11 7 a lot of time in our office discussing, and so, I'm
11:29:18 8 assuming you all are going to spend a lot of time
11:29:20 9 discussing it with me, is my guess. Let me start with the
11:29:30 10 plaintiff and ask the plaintiff its opinion of the Court's
11:29:34 11 preliminary construction.

11:29:40 12 MR. ALBERTI: Your Honor, we would present a very
11:29:42 13 minor clarification to the construction. If I could share
11:29:44 14 my screen, I could go over that with you.

11:29:48 15 THE COURT: Okay.

11:29:54 16 MR. ALBERTI: Okay. So as you see that BBitV's
11:30:01 17 construction and I show the proposed clarification in red,
11:30:04 18 and that is to add the words "the selection of" between
11:30:09 19 "transmitting" and "the first respective title." So it
11:30:11 20 will read, transmitting the selection of the first
11:30:16 21 respective title associated with the first video content.
11:30:22 22 And the reason why I propose that is, A, it's consistent
11:30:26 23 with the specification as I'll show and, B, it's just
11:30:32 24 consistent with common sense on how remote controls work.
11:30:36 25 I could either get into my argument or if we can

11:30:39 1 hear from the defendants before I do that.

11:30:41 2 THE COURT: No.

11:30:41 3 I'm happy to hear you argue why you'd like to add
11:30:45 4 the selection -- the words the "selection of." And then,
11:30:49 5 obviously the defendants will have a chance to discuss the
11:30:52 6 Court's preliminary construction as well as any amendment
11:30:58 7 of it to add that.

11:31:00 8 MR. ALBERTI: Thank you, your Honor.

11:31:00 9 So if we take a look at -- we start by taking a
11:31:07 10 look at the limitation, we see that the selection happens
11:31:13 11 via a control unit in communication with the set-top box.
11:31:18 12 And that selection is of a first respective title
11:31:22 13 associated with video content. And so that what is
11:31:27 14 actually transmitted to the set-top box from the control
11:31:31 15 unit, which could be a remote control or a -- you know,
11:31:36 16 there's keypads on the boxes that have basically the same
11:31:42 17 cursor and select buttons as the remote control. We'll
11:31:45 18 see that. But what is sent is not like literally the
11:31:50 19 entire title itself.

11:31:52 20 So you're not typing in, I want to watch
11:31:57 21 Braveheart. You're not typing that into your remote
11:31:59 22 control. You hover a cursor over the title that's at
11:32:03 23 Braveheart and you click it, and that selection, something
11:32:07 24 representative of that title is sent to the set-top box.

11:32:12 25 We have a -- just a basic graphic here, this

11:32:17 1 corresponds with our expert's description that it's the
11:32:23 2 Exhibit 7, the Shamos declaration, at paragraph 57. We
11:32:28 3 just kind of made a graphic for you so anybody who's used
11:32:32 4 on-demand before kind of knows how this works.

11:32:34 5 You have the cursor buttons like up, down, left,
11:32:37 6 right, and then, the middle, you have your selection
11:32:39 7 button. And so, the way you would pick out a
11:32:42 8 video-on-demand movie is, you could go to the hierarchical
11:32:47 9 menu with your cursors, and then, when you see a title
11:32:50 10 that you like, you press okay. So you select that title,
11:32:55 11 but what's actually being transmitted from your remote
11:32:59 12 control to the set-top box is not literally the title,
11:33:02 13 it's something representative of, oh, hey, I want this
11:33:06 14 title.

11:33:07 15 What happens next is, the set-top box takes that
11:33:09 16 selection, it forwards it to the video-on-demand server.
11:33:16 17 That server then looks up that title and sends the video
11:33:22 18 content back to the set-top box to display on the screen.
11:33:26 19 And if we go back to the claim, you see in step (d),
11:33:31 20 that's actually what's happening. You're not -- you're
11:33:34 21 receiving the content to display on the TV equipment of
11:33:40 22 the TV service provider. So ultimately what you're really
11:33:44 23 seeing is the content representative of that title.

11:33:46 24 So the title, again, you cursor over the title,
11:33:51 25 you hit select, a signal goes from your remote or, again,

1 from the keypad to the set-top box saying, I want this --
2 basically I want to see this title. So it's
3 representative of that title, it's a selection of that
4 title, which is why we included the additional language,
5 "a selection of," instead of just the title itself,
6 because we think that could confuse a jury where a jury
7 would actually think like somehow, you're required to
8 literally type in the title on your remote control or your
9 control unit to send to the set-top box.

10 And this is consistent with the specification.
11 We have several cites here. These were in our brief that
12 talks about how subscribers can input via remote control
13 their selection inputs for transmission on a back channel.
14 So what that's telling you is, you use your remote control
15 to select a title, the signal goes from your remote
16 control to the set-top box, that is then transmitted onto
17 the back channel. It says, hey, I want this title, the
18 back channel then sends back the actual video, and then,
19 you get to see the actual video.

20 And again, we see later here in this paragraph,
21 it talks about how you use the remote control to cursor
22 through the menu to select from a variety of titles. So
23 what your remote control does is, it moves the cursor, it
24 sees a title, hey, I want to see Braveheart, or whatever,
25 I press the select button, a signal goes from the remote

1 control to the set-top box. That signal is -- you could
2 say it's representative of that title. It's saying I want
3 that title, but it doesn't literally have to be the title.
4 That's not how these systems work. It's not how the
5 patent specification describes the operation of these
6 systems.

7 Again, we see in, again, same patent, 388 patent
8 talking about how a user can enter a selection choice for
9 a video program via remote control to the set-top box.
10 Again, you use the remote to send your selection to the
11 set-top box, that selection, that signal represents that
12 title that I want that title, I want that -- I want to
13 view that, but literally it doesn't have to be the title,
14 which is why we just made a very minor clarification to
15 the Court's construction. As we could see, we're just
16 adding the words "transmitting the selection of." Because
17 what actually goes between the remote and the set-top box
18 doesn't literally have to be the title.

19 THE COURT: I understand your point. Anything
20 else you'd like to add?

21 MR. ALBERTI: I think that about does it, your
22 Honor.

23 THE COURT: Okay. Who will be arguing on behalf
24 of the defendants?

25 MR. FULGHUM: Roger Fulghum, your Honor. And

11:36:57 1 I'll share my screen.

11:37:06 2 All right. Let me get into presentation mode
11:37:12 3 quickly. Okay. Can you all see my screen?

11:37:21 4 THE COURT: Yes, sir. I can.

11:37:23 5 MR. FULGHUM: I'm having some trouble getting
11:37:25 6 into presentation mode. Hold on a second, your Honor.

11:37:41 7 Okay. Your Honor, first off, we do agree with
11:37:44 8 the Court's tentative construction. This is a
11:37:45 9 construction that matches the exact claim language. Let
11:37:47 10 me summarize Broadband iTV's presentation to the Court.
11:37:50 11 They want you, Judge, to fix the claim so that they -- it
11:37:54 12 matches their infringement case. That is actually what
11:37:56 13 you're doing -- that is exactly what they want you to do.

11:37:59 14 This claim is flawed. It requires that the
11:38:02 15 set-top box transmit a title to itself. It cannot be
11:38:06 16 infringed, and it reads exactly like it says, and that is
11:38:09 17 the Court's tentative construction. Exactly like it says.
11:38:14 18 Broadband iTV was the master of this claim. They're the
11:38:17 19 ones who drafted it, and they have to live with the words
11:38:20 20 of this claim. The Court should not fix this claim so
11:38:22 21 that Broadband iTV can assert a case of infringement.
11:38:25 22 That's really -- we should focus on the language of the
11:38:28 23 claims.

11:38:29 24 Okay. Here's the language of the claims.

11:38:32 25 There's the claim term at issue on the left and AT & T's

11:38:35 1 proposed construction on the right, and our construction
11:38:37 2 matches the Court's preliminary. All we've done here is,
11:38:41 3 we've taken the word "selection" and simply identified
11:38:45 4 what was selected, and that is the first respective title
11:38:49 5 associated with a first video content. And let me stop
11:38:52 6 for one second.

11:38:54 7 It also occurred to me when I watched Broadband
11:38:57 8 iTV's presentation that there was little discussion of the
11:39:00 9 actual language of the claim. It was flashed on the
11:39:03 10 screen once, and then, we heard a lot about graphics, we
11:39:05 11 heard about an expert, we heard about how modern remote
11:39:10 12 controls work. That's all well and good, how modern
11:39:15 13 remote controls work, how modern video-on-demand systems
11:39:19 14 work, but, Judge, that is not what is claimed.

11:39:21 15 Our construction is entirely grammatical. In
11:39:26 16 response to the subscriber selecting a title, title is
11:39:31 17 transmitted. Simple as that. And the construction just
11:39:36 18 makes sense. Just imagine if it read analogously in
11:39:40 19 response to the subscriber selecting a book transmitting
11:39:44 20 the selection, every single person in the courtroom would
11:39:48 21 understand that the book is the selection and that the
11:39:52 22 book is transmitted after it is selected.

11:39:54 23 This is just common sense that it matches the
11:39:57 24 language of the claim. We should stick to the language of
11:40:00 25 the claim. We should not try to fix this claim to make it

1 so that Broadband iTV can retain an infringement case
2 here.

3 Also notice this. The selection does not have an
4 antecedent basis. You'll notice "the selection" is not
5 preceded by "a selection" anywhere in the claim, Judge.
6 Our construction fixes that. It provides it with the
7 antecedent basis, and the antecedent basis is easy to
8 understand. We didn't see Broadband iTV's tweak until
9 this morning, Judge, but it also doesn't help anything and
10 we'll get to that.

11 Okay. Now, I'll also be the first to admit that
12 this claim requires the set-top box to transmit the
13 selection to itself. That is what the claim says, and
14 Broadband iTV should be held to it. Look what it says: A
15 set-top box, and it's got some steps and here's step (c),
16 and it says transmitting the selection to the set-top box
17 for display on the TV equipment. That selection is the
18 first respective title. That's how the claim reads,
19 that's how it should be interpreted.

20 Okay. Now, Broadband iTV's argument -- and this
21 also applies, by the way, to their tweak -- is that the
22 selection, as I understood their argument previously, is
23 the selection is a signal generated by the control unit,
24 and I think what they're now saying is, it is not the
25 title that the remote control is transmitting, but it's

1 some sort of representation of title. It's a request or
2 the selection of the title.

3 Well, that fails and it fails because of the way
4 the claim concludes. Look how the step concludes, Judge.
5 It says transmitting the selection to the set-top box for
6 display, for display on the TV equipment. That little
7 infrared signal that travels from your remote control is
8 not displayed on your TV equipment. What is displayed is
9 the title. Our construction fits with the remainder of
10 the claim. A construction that would allow Broadband iTV
11 to say, well, it's the infrared signal, or it's the
12 request for the title, or something like that, we're not
13 really sure. That's how modern systems work. Those
14 little signals are not displayed on the TV equipment. It
15 just doesn't fit and should be rejected for that reason
16 alone.

17 Also, Broadband iTV's request just doesn't fit
18 with the English words and the way the claim is set up.
19 Now, look at the claim on the right. It says in response
20 to the TV subscriber selecting, transmitting the
21 selection, okay? As I understand Broadband iTV's
22 argument, you press the remote control, you do it one
23 time, I guess, that's the "in response to." And then, you
24 send the signal a second time from the remote control.
25 You actually do it twice. That makes no sense.

1 The claim reads like it says, in response to a TV
2 subscriber making a selection, the selection is
3 transmitted, and that thing that is selected is the first
4 respective title. So, Judge, we agree with the Court's
5 tentative here. It is a plain, commonsense understanding
6 of the claim. It matches the claim grammatically. It is
7 what Broadband iTV claimed, and they should be held to it.
8 And that concludes our comments.

9 MR. ALBERTI: Your Honor, if I may respond.

10 THE COURT: Is Mr. Fulghum carrying the load
11 alone for the defendants here?

12 MR. ROBERTS: Your Honor, this is Mr. Roberts.

13 I want to be clear. We are not joining their
14 argument on this. We had a different argument in a
15 different position, and we're on that argument going to
16 rest on the papers. Although I believe Ms. Caridis is
17 going to address something that Mr. Alberti said
18 separately.

19 THE COURT: Okay. Could I hear that then?

20 MS. CARIDIS: Your Honor, this is Alyssa Caridis
21 for DISH.

22 I think it's actually separate claim terms, so I
23 think it might make sense to finish this particular claim
24 term --

25 THE COURT: Oh, okay.

11:44:07 1 MS. CARIDIS: -- and then, I'd like to say
11:44:08 2 something about the preamble that was argued.

11:44:10 3 THE COURT: Okay. Yes. I'm happy to hear from
11:44:15 4 the plaintiff in rebuttal.

11:44:23 5 MR. ALBERTI: Thank you, your Honor. And if I
11:44:24 6 could share my screen.

11:44:26 7 MR. FULGHUM: Okay. Mr. Alberti, I'm out.

11:44:31 8 MR. ALBERTI: So let me just start by saying what
11:44:34 9 the defendants -- or AT & T wants us to do is kind of
11:44:39 10 suspend common sense because even they agree -- and this
11:44:43 11 is from their brief -- AT & T does not contest that BBiTV
11:44:49 12 accurately describes the operation of a remote control.
11:44:51 13 So we all know how remote controls work. The experts know
11:44:55 14 how they work. Our expert has a declaration on it. The
11:45:00 15 specification tells us how they work.

11:45:03 16 And basically what AT & T wants us to do is just
11:45:07 17 suspend all of that, suspend how the specification teaches
11:45:10 18 it, suspend, you know, our common sense and take what
11:45:15 19 is -- you know, I would argue, as a hyper-literal reading
11:45:20 20 of the claim language. And let's go back to the claim
11:45:25 21 language.

11:45:25 22 Because what Mr. Fulghum said is that we're
11:45:28 23 asking the Court to bail us out of something, but we're
11:45:32 24 not. I mean, if we look at the claim language itself, it
11:45:35 25 says, transmitting the selection, and that clearly is

11:45:39 1 antecedent basis by, you know, the fact that something has
11:45:44 2 been selected.

11:45:44 3 THE COURT: Well, let me ask you this. And I
11:45:47 4 meant to ask Mr. Fulghum this and I'll obviously let him
11:45:52 5 speak to this, too. But again -- and maybe this is just
11:45:57 6 the problem with the English language.

11:46:00 7 But the way I took when we read -- the way my
11:46:04 8 clerks and I took when we read the portion on transmitting
11:46:08 9 the selection, we read it to mean in response to TV server
11:46:13 10 -- service subscriber selecting, and then, at the end, it
11:46:17 11 means transmitting that selection that was made to the
11:46:21 12 set-top box. That's the way I read it, even though Mr.
11:46:24 13 Fulghum, I think his position is that's a second
11:46:27 14 transmission.

11:46:27 15 What is your position?

11:46:30 16 MR. ALBERTI: No. It's the same -- it's the same
11:46:33 17 transmission.

11:46:33 18 So again, you cursor over, you hit the button
11:46:37 19 select. What you just did is then transmitted again a
11:46:43 20 representation of I am selecting the first title. So
11:46:46 21 again, we're not asking the Court to change the claim
11:46:51 22 language. In fact, our construction incorporates the very
11:46:54 23 language of the claim. It says transmitting the
11:46:57 24 selection. That's what the claim says.

11:46:59 25 What the claim is unclear about is, well, what is

11:47:03 1 that a selection of? And we just added what was already
11:47:06 2 in the -- it was already in the Court's construction.
11:47:09 3 It's a selection of the first respective title.

11:47:12 4 So again, you know, you have to look at this in
11:47:15 5 the context of the specification. You can't just read the
11:47:18 6 claims in a vacuum, which Mr. Fulghum apparently wants us
11:47:21 7 to do. You have to read it in light of the specification
11:47:24 8 and just basic common sense. You don't have to type in a
11:47:28 9 title into your remote control.

11:47:31 10 And this idea that if something's transmitting to
11:47:35 11 itself, I mean, come on, we all know when you buy a
11:47:38 12 set-top box, one of the components you get is a remote
11:47:42 13 control. I mean, this was a standard set-top box at the
11:47:47 14 time of the patent, and it tells you the following items
11:47:49 15 are included with your DCT 6200 remote control with
11:47:55 16 batteries.

11:47:55 17 Okay. So the idea that, oh, well, a remote
11:47:58 18 control, you know, is not part of the set-top box, I mean,
11:48:02 19 come on. Every set-top box that was sold at the time came
11:48:05 20 with a remote control. It was one of the components. And
11:48:08 21 in fact, if you look at the functions of the remote
11:48:11 22 control, they're identical to the functions of the actual
11:48:15 23 buttons that are on the set-top box.

11:48:17 24 So it's functionally no different. The fact that
11:48:20 25 it's not physically incorporated in there, I mean, come

11:48:23 1 on, it's -- everybody knows that a set-top box comes with
11:48:27 2 the remote control. And again, common sense tells us that
11:48:30 3 remote control transmits selections to the box, which then
11:48:34 4 sends it to the cable head end, and then, they get their
11:48:38 5 -- the VOD content back. There's no real mystery here.
11:48:43 6 And again, if what we do is just make this minor
11:48:49 7 correction, as you see in our construction, BBitTV's
11:48:55 8 construction, it solves the issues that we have here.

11:48:58 9 And with that, unless your Honor has any other
11:49:00 10 questions, I'll submit.

11:49:02 11 THE COURT: Mr. Fulghum, anything else?

11:49:04 12 MR. FULGHUM: We need to stick to the tentative
11:49:07 13 here. The tentative matches the language of the claims.
11:49:11 14 Remember we're talking about something done in response
11:49:13 15 to. In response to. In response to the TV subscriber
11:49:17 16 selecting, then we transmit the selection. And the only
11:49:20 17 thing we're trying to figure out here is, what is the
11:49:22 18 selection? That's the only thing we're trying to
11:49:25 19 determine.

11:49:25 20 Now, again, I heard a lot about remote controls.
11:49:32 21 We talked about a -- the owner's manual for remote
11:49:37 22 control. Judge, what matters is the claims. This claim
11:49:40 23 was drafted this way. It needs to be held this way. And
11:49:43 24 yes, it does require that the trans -- that the set-top
11:49:47 25 box transmit the selection to the set-top box. That's how

11:49:50 1 it's stated and that's how the Court should -- that is how
11:49:54 2 the Court should understand this claim, and that's how the
11:49:56 3 Court understood the claim in the tentative, and we ask
11:49:58 4 the Court to stay with that tentative.

11:50:01 5 This tweak would do nothing but cause mischief as
11:50:05 6 it would allow that remote control press to qualify both
11:50:10 7 in response to and then, qualify both for the first half,
11:50:15 8 the "in response to" half, then the second half, the thing
11:50:18 9 that is transmitted half, from the remote control. The
11:50:21 10 remote control, the set-top box are not the same thing.
11:50:23 11 They are stated separately. What the claim is directed to
11:50:26 12 is the set-top box, and the claim reads like it says, and
11:50:30 13 we ask the Court remain with its tentative, please.
11:50:33 14 That's all we have, your Honor.

11:50:34 15 THE COURT: Anything from anyone else on this
11:50:36 16 issue, on this claim?

11:50:39 17 MR. ROBERTS: Your Honor, this is Mr. Roberts.

11:50:41 18 I will also point out that consistent with our
11:50:42 19 position that the remote control is in communication with
11:50:46 20 the set-top box. And if the remote control is in
11:50:49 21 communication, if the control unit is in communication
11:50:51 22 with, that's treating it as a distinct element, and
11:50:55 23 therefore, it's a distinct element; it's not part of.
11:50:58 24 Thank you.

11:50:59 25 MR. FULGHUM: Thank you.

11:51:00 1 And to Mr. Roberts' point, the claim is to the
11:51:04 2 set-top box and what the set-top box does. So once the
11:51:07 3 remote control selects something, then it specifies that
11:51:12 4 it's transmitted. That's exactly what the claim says, and
11:51:14 5 that matches the Court's tentative.

11:51:20 6 THE COURT: Okay. I'll be right back.

11:52:39 7 Well, let's go back on the record. If the
11:52:40 8 plaintiff could put up the screen shot that has the
11:52:43 9 additional claim language in it for me, please.

11:53:07 10 MR. ALBERTI: Okay. So it is under BBitV's
11:53:11 11 construction with the red.

11:53:12 12 THE COURT: The Court is going to amend its
11:53:14 13 construction to add the words, quote, the selection of
11:53:17 14 after the word "transmitting" and before the words "the
11:53:20 15 first respective title associated."

11:53:23 16 And we have one claim term left. Let me get
11:53:25 17 there. Give me one second, please. Only claim term we
11:53:35 18 have.

11:53:40 19 MR. ROBERTS: Your Honor, before we go on, just
11:53:41 20 for protection of the record.

11:53:43 21 THE COURT: Yes, sir.

11:53:44 22 MR. ROBERTS: Which is that we object to that
11:53:45 23 construction as it's making a correction. The correction
11:53:47 24 is not clear from the face of the patent. And we,
11:53:50 25 therefore, think Mr. Alberti, himself, specifically

11:53:55 1 identified it as being a correction in his argument. He
11:53:58 2 called it a correction on the record, and we would object
11:54:01 3 that the correction cannot properly be made. Thank you.

11:54:05 4 THE COURT: You're welcome.

11:54:06 5 The final claim term we're going to take up is
11:54:09 6 "the plurality of different display templates." Let me
11:54:14 7 start with the plaintiff. What is the plaintiff's
11:54:19 8 position with respect to -- and by the way, let me back up
11:54:24 9 just because Mr. Roberts made that objection.

11:54:26 10 The Court does not find that it is making a
11:54:28 11 correction. If you're going to put your position on the
11:54:33 12 record, I just want the Court's -- I don't mean to quibble
11:54:37 13 with you or argue with you. The Court does not believe
11:54:38 14 that it is making a correction for purposes of the record.

11:54:42 15 So with regard to the final claim term, "the
11:54:46 16 plurality of different display templates," what is the
11:54:50 17 plaintiff's position with regard to the Court's
11:54:52 18 preliminary construction?

11:54:54 19 MR. ALBERTI: We agree with the Court's
11:54:56 20 construction.

11:54:56 21 And just for the record, so we can make a record,
11:54:58 22 I wasn't suggesting that the Court was correcting the
11:55:00 23 claim. I was suggesting that the Court correct in a very
11:55:03 24 minor way the Court 's construction of the claim. So I
11:55:06 25 apologize if there was any misunderstanding of it.

11:55:09 1 THE COURT: Yeah. I meant -- Mr. Roberts, I
11:55:12 2 actually meant to say that. That was the way I took what
11:55:15 3 he said, and so, that's why I wanted to make it clear. I
11:55:18 4 did not believe the plaintiff was advocating that -- I get
11:55:23 5 a lot of -- as you might imagine, I'm 30 Markmans in since
11:55:28 6 COVID started. So I understand there are times when a
11:55:33 7 plaintiff is telling you there's something wrong in the
11:55:38 8 claim term that needs to be corrected, and I've gotta take
11:55:40 9 that up separately. That's not what I believe I'm doing
11:55:44 10 here.

11:55:44 11 But I certainly am fine with you making your
11:55:47 12 objection on the record, and I understand why you're
11:55:49 13 making it.

11:55:50 14 So who will take up for the defendants the final
11:55:52 15 claim term?

11:55:55 16 MS. CARIDIS: Your Honor, this is Alyssa Caridis
11:55:58 17 on behalf of DISH.

11:55:58 18 THE COURT: Yes, ma'am.

11:56:00 19 MS. CARIDIS: And before I turn to plurality --
11:56:02 20 the plurality of different display templates, can I
11:56:03 21 briefly backtrack a little bit? And I apologize for doing
11:56:04 22 so, your Honor, but there was a rapid exchange at the end
11:56:08 23 of the discussion on the 101 preamble, and I just want to
11:56:11 24 make sure we have an accurate record.

11:56:13 25 THE COURT: And what is it that you want to make

11:56:16 1 accurate?

11:56:16 2 MS. CARIDIS: Sure. So in her argument, Ms.
11:56:19 3 Mayne pointed out that in response to one of DISH's IPRs,
11:56:24 4 BBiTV relied on the preamble of the 026 patent to
11:56:27 5 distinguish the prior art. After Ms. Mayne's
11:56:31 6 presentation, Mr. Belloli told the Court, and I believe
11:56:34 7 that this is a quote, that BBiTV agreed that this portion
11:56:39 8 is limiting. And the portion that he was talking about is
11:56:42 9 what Ms. Mayne had put up on the screen, which is an
11:56:46 10 internet-connected digital device for receiving via the
11:56:51 11 internet video content.

11:56:52 12 But Mr. Belloli's statement that BBiTV agreed
11:56:55 13 that this portion is limiting just simply isn't true.
11:56:58 14 Before this court, BBiTV has disputed that the portion of
11:57:02 15 the 026 preamble is limiting, despite what it told the
11:57:06 16 patent office.

11:57:07 17 Now, your Honor said that you didn't want to hear
11:57:09 18 arguments on the 026 preamble, so we're not presenting
11:57:11 19 any. But I just want the record to reflect that it
11:57:14 20 appears BBiTV now agrees that the portion of the preamble
11:57:18 21 that includes for receiving via the internet video content
11:57:23 22 is limiting.

11:57:26 23 THE COURT: Okay.

11:57:29 24 MR. ALBERTI: Your Honor, if I could have Mr.
11:57:32 25 Belloli address that.

11:57:33 1 MR. BELLOLI: Yeah. I think that's not exactly
11:57:34 2 what I was saying. I'm saying that what's limiting is the
11:57:37 3 internet-connected digital device just like in the grayed
11:57:39 4 cell on page 3 of the order. Point being that when
11:57:42 5 they're pointing to that IPR response, it wasn't even
11:57:45 6 dealing with the 101 patent. So it's apples and oranges.

11:57:52 7 But, your Honor, we submit that your Honor has
11:57:54 8 properly determined what portions are and are not limiting
11:57:58 9 in each of the four preambles that are at issue.

11:58:02 10 THE COURT: Can we move on to the claim term?

11:58:05 11 MS. CARIDIS: Of course.

11:58:05 12 Mr. Melehani, can you put up our slides, please?

11:58:11 13 Thank you.

11:58:11 14 So the final term to discuss here this morning is
11:58:16 15 "the plurality of different display templates." And the
11:58:20 16 dispute between the parties is whether the plurality of
11:58:23 17 display templates has a proper antecedent basis. Now, we
11:58:28 18 can see the term, if we turn to slide 26, the term at
11:58:31 19 issue is underlined in red in the green highlighted
11:58:35 20 portion.

11:58:36 21 Now, your Honor's preliminary construction was
11:58:39 22 that this term should be afforded its plain and ordinary
11:58:42 23 meaning. But ascribing its plain and ordinary meaning
11:58:45 24 doesn't resolve the dispute between the parties because
11:58:48 25 the meaning of plurality isn't really in dispute.

11:58:52 1 Plurality means two or more.

11:58:55 2 What BBiTV argues is that the plurality of
11:59:00 3 different display templates has an antecedent basis that
11:59:03 4 is found in the yellow highlighted section on slide 26.
11:59:07 5 And specifically, it argues that at least one display
11:59:11 6 template is the antecedent basis for the plurality of
11:59:14 7 display templates. But the phrase "at least one" cannot
11:59:20 8 be the antecedent basis for the plurality because those
11:59:25 9 terms don't have the same scope.

11:59:27 10 And I'd like to turn the Court's direct --
11:59:31 11 attention to SOL IP case out of the Eastern District of
11:59:33 12 Texas, and that's on slide 27 here. There the Court found
11:59:39 13 that the recited the second set of bits did not have the
11:59:45 14 same scope as the earlier phrase in the claim, a second
11:59:49 15 modulated sequence. And the Court out of the Eastern
11:59:52 16 District of Texas noted that the difference in this scope
11:59:57 17 suggested that the lack of antecedent basis for the set of
12:00:03 18 bits renders claim 7 indefinite. And this policy makes
12:00:06 19 sense. If it were otherwise, particularly in the context
12:00:11 20 of this case, you would have situations where sometimes a
12:00:13 21 term had an antecedent basis and sometimes it didn't.

12:00:18 22 So again, if we look at claim, 1, which is the
12:00:21 23 only claim at issue that has this issue here, the yellow
12:00:25 24 highlighted term, "at least one display template," may be
12:00:29 25 met by a single display template. At least one means one

1 is sufficient. But in the situation where there was only
2 a single display template, there would be no antecedent
3 basis for the plurality of different display templates
4 that appears later in the claim. We would have no idea
5 what that claim element is referring to.

6 Now, BBiTV likes to point to the Microprocessor
7 case out of the Federal Circuit in support of its notion
8 that at least one display template can be the antecedent
9 basis for the different -- the plurality of different
10 display templates. In that case, the court found that the
11 term "the pipeline stage" had an antecedent basis from the
12 term "at least one instruction execution pipeline stage."
13 But the important distinction -- first of all, the Federal
14 Circuit in Microprocessor wasn't even really talking about
15 antecedent basis. It was trying to construe the term "the
16 pipeline stage."

17 But importantly, the Federal Circuit found that
18 the pipeline stage was added by amendment during
19 prosecution and, quote, this amendment indicates the
20 applicant's intent that the pipeline stage take its
21 antecedent basis, and thereby the function and temporal
22 meaning, from at least one instruction execution pipeline
23 stage. And that's at 520 F. 3d 1379.

24 So the Federal Circuit found that the pipeline
25 stage had an antecedent basis because in the prosecution

1 history, there was clear evidence that the applicant
2 intended for that particular antecedent basis to apply.
3 There is no indication what the intent of the applicant
4 here is when he referred to "the plurality." What
5 plurality was it? Where is it stored? How is it defined?
6 None of that is discussed and there's no evidence of any
7 of that in the prosecution history.

8 Moreover, as I mentioned, "at least one" cannot
9 be the antecedent basis for "the plurality" because the
10 claims have different scope. So there's no intrinsic
11 evidence citing the applicant's intent and the two terms
12 have different scopes. They're not proper antecedent
13 bases. So really, what BBiTV is asking the Court to do
14 here is correct an error in its patent. It wants the
15 Court to read "at least one" as one or more or at least
16 two, but those aren't the only possible ways to correct
17 this claim.

18 In the exchange of extrinsic evidence that BBiTV
19 offered in this claim construction process, BBiTV said --
20 and I have this on the slide -- on the screen at slide 28.
21 BBiTV said that its expert might opine that the plurality
22 of different display templates should be a plurality of
23 different display templates. In other words, correcting
24 "the" to "a." And he also -- BBiTV also in this same
25 slide said that its expert may explain that a person of

1 ordinary skill in the art would interpret the plurality of
2 display templates to be the at least one display template.

3 So there are two additional possible corrections
4 to this claim language, but again, that's not all. The
5 related 026 patent, which is asserted in this case, has
6 very similar claim language, and we see that on the screen
7 at slide 29. It's a side-by-side comparison of the
8 claims. And both claims have this same at least one
9 display template in yellow and plurality of different
10 display templates in green. But look what's different.

11 The 026 patent includes the pink highlighted
12 language that expressly injects a antecedent basis for the
13 later, the plurality of different display templates. So
14 maybe another possible correction is to add the pink
15 highlighted language into the 269 patent. Of course, a
16 court can only correct a patent if the correction is not
17 subject to reasonable debate. And here, we've come up
18 with at least four possible corrections, three of them are
19 from BBiTV itself. So there absolutely is a reasonable
20 debate.

21 And, your Honor, the lack of antecedent basis
22 here matters. The corrections that we just described
23 materially change the claim scope at issue here. Can I go
24 back one slide, Will, please? If we were to adopt the
25 correction based on claim 1 of the 026 patent, the

12:05:26 1 plurality of display templates would be the templates that
12:05:30 2 are accessible by the internet-connected digital device.
12:05:34 3 We see that in the yellow -- in the 026 patent with the
12:05:37 4 yellow and the pink highlighting where the at least one of
12:05:41 5 a plurality of different display templates to which the
12:05:44 6 internet-connected digital device has access.

12:05:47 7 So if we were to make that correction in the 269
12:05:50 8 patent, you would put the pink language into the 269
12:05:54 9 patent, and you would have which at least one display
12:05:56 10 template -- which uses at least one display template of a
12:06:01 11 plurality of different display templates to which the
12:06:04 12 subscriber device has access.

12:06:06 13 On the other hand, if we were simply to change
12:06:10 14 the plurality in the green to a plurality, then there's no
12:06:14 15 other limitations regarding that plurality. They need not
12:06:18 16 necessarily be accessible by the subscriber device. So,
12:06:22 17 you know, depending on the correction that you take here,
12:06:24 18 depending on what the antecedent basis is, you have
12:06:28 19 completely different claim scopes.

12:06:30 20 So where does that leave us? There is no
12:06:32 21 antecedent basis, there are multiple possible ways that
12:06:35 22 the claim could be corrected, so the claim must be
12:06:38 23 indefinite.

12:06:46 24 MR. ALBERTI: If I may -- I'm sorry, your Honor.

12:06:46 25 THE COURT: I think you're done, but I wasn't

12:06:48 1 sure.

12:06:50 2 MS. CARIDIS: I am done. Thank you.

12:06:52 3 THE COURT: Okay. And someone else wanted to
12:06:54 4 chat? Was it Mr. Roberts? I couldn't see.

12:06:57 5 MR. ALBERTI: That was Mr. Alberti. If I could
12:06:59 6 share the screen.

12:06:59 7 THE COURT: Okay.

12:07:00 8 MR. ALBERTI: And, your Honor, I'll try to be
12:07:06 9 quick here because most of what we heard was in the
12:07:08 10 briefing.

12:07:10 11 There's really -- let's start with the basic
12:07:13 12 notion that, first of all, I don't think there's any
12:07:15 13 disagreement that in order to have proper antecedent
12:07:18 14 basis, you do not have to have an exact one-to-one word
12:07:22 15 match. In fact, I would point out the case that counsel
12:07:28 16 cited, the SOL IP case versus AT & T, she pointed out two
12:07:35 17 instances where we were talking about a, quote, unquote,
12:07:39 18 set of bits not being synonymous with a second modulated
12:07:44 19 sequence. Well, those are completely different things.

12:07:48 20 I would point out in that same order, counsel
12:07:51 21 didn't tell you about an earlier decision in that order
12:07:55 22 where the Court found the phrase "a corresponding stream"
12:08:00 23 to be proper antecedent basis for the term "the at least
12:08:04 24 one stream."

12:08:06 25 So the only one example that actually fits this

1 case, the Court did find there is proper antecedent basis.
2 So when we look at the claim, there's really only a couple
3 of questions we have to ask: Is there a disclosure in the
4 claim of display templates? And there is. The plurality
5 of display templates can only refer to one thing, which is
6 the at least one display template. That's the only other
7 place in the claim where that phrase occurs.

8 And nobody disagrees that at least one can
9 include a plurality. It's one or more. So there's no
10 inconsistency at all, and we even see that from the way
11 that it's worded. It says that the second layer
12 comprising a particular display from the plurality of
13 different displays. If there was only one, there would be
14 no need to say in the claim, a particular display from --
15 the only one display.

16 So again, this is a plain-meaning thing. There's
17 no trickery here, there's no correction that has to be
18 made. The phrase "at least one display template" clearly
19 includes and, therefore, can be proper antecedent basis
20 for a plurality of them. And so, there's no -- there's no
21 other really reasonable way to interpret this.

22 And lastly, I would just point out that, again,
23 this is, you know, proven or shown by the Federal Circuit
24 case in Microprocessor Enhancement. And again, the
25 pipeline stage would suggest, one, it was antecedent basis

12:09:50 1 from at least one. There doesn't have to be a one-to-one
12:09:54 2 exact matching so long as you could understand based on
12:09:58 3 the language of the claim what was intended. And again,
12:10:01 4 you say there's no intent, the intent is in the claim
12:10:05 5 language itself. They use the exact same language, but
12:10:08 6 replace the plurality with at least one.

12:10:11 7 So clearly, at least one includes the ability to
12:10:15 8 have a plurality, and that's what it's referring to. And
12:10:17 9 with that, your Honor, I have nothing further unless you
12:10:20 10 have any specific questions.

12:10:21 11 THE COURT: Ms. Caridis.

12:10:25 12 MS. CARIDIS: Your Honor, just two quick points.

12:10:27 13 One is, again, the Microprocessor case that Mr.
12:10:32 14 Alberti just referred to was the case where the Federal
12:10:37 15 Circuit specifically found intent in the intrinsic record,
12:10:40 16 in the prosecution history. We obviously don't have
12:10:43 17 anything like that here.

12:10:44 18 The other thing that I'll point out is, I didn't
12:10:46 19 hear a response to, what is the antecedent basis for the
12:10:50 20 plurality of different display templates when there is
12:10:53 21 only one display template in the at least one? At least
12:10:57 22 one can mean one. It can be more than one, but it
12:11:01 23 absolutely includes just one. And when there is only one
12:11:06 24 display template, in at least one display template, I've
12:11:09 25 heard no application for what the possible antecedent

12:11:12 1 basis for the plurality of different display templates is.
12:11:15 2 And if you only have antecedent basis sometimes and not
12:11:18 3 other times, that can't be proper. It's indefinite.

12:11:24 4 THE COURT: If you'll take up that specific issue
12:11:27 5 with regard to the antecedent basis for the plurality of
12:11:32 6 different display templates.

12:11:34 7 MR. ALBERTI: Sure, your Honor.

12:11:35 8 Again, the antecedent basis is the at least one
12:11:39 9 display template. The at least one includes a plurality.
12:11:44 10 There's no dispute about that. Counsel just conceded that
12:11:47 11 point. The fact that there could only be one in the first
12:11:52 12 limitation doesn't change the fact that we have antecedent
12:11:57 13 basis in element (b) because at least one includes a
12:11:59 14 plurality. And that's all you need for antecedent basis.

12:12:02 15 As I point out, as the SOL case pointed out that
12:12:06 16 counsel relied on, and as the Federal Circuit case pointed
12:12:10 17 out, it doesn't have to be a precise match. And so long
12:12:13 18 as a person skilled in the art would read this and
12:12:17 19 understand, well, at least one includes a plurality.
12:12:20 20 There's no other place in the claim that refers to a
12:12:22 21 display template, so clearly they're referring to the
12:12:25 22 plurality, which is within the scope of at least one
12:12:28 23 display template. Thank you, your Honor.

12:12:30 24 THE COURT: Anything else?

12:12:33 25 MS. CARIDIS: Your Honor, I would just say,

12:12:34 1 again, I didn't hear an explanation at least one covers a
12:12:38 2 situation of when there is only one; and in that
12:12:40 3 situation, there's no antecedent basis.

12:12:42 4 THE COURT: Understood -- I understand that's
12:12:44 5 your position. I'll be back on in just a few seconds.

12:14:31 6 If we can go back on the record. The Court is
12:14:33 7 going to maintain its preliminary construction and make it
12:14:36 8 its final construction.

12:14:38 9 It's my understanding that the case is set for --
12:14:41 10 the cases are set for trial November 15th, so we already
12:14:44 11 have those scheduled. Again, we are going -- I've put the
12:14:51 12 -- for the DISH people, I've put the motion to transfer at
12:14:57 13 the top of our priority list. We're going to be working
12:15:02 14 on that and getting an answer to you as quickly as we can.

12:15:07 15 Again, my apologies, I didn't want to postpone --
12:15:09 16 given that we've set the trial for November, I didn't want
12:15:12 17 to postpone this Markman and prevent you all from getting
12:15:16 18 discovery. And so, ordinarily I would definitely have
12:15:20 19 tried to get the motion to transfer resolved in advance of
12:15:24 20 this hearing.

12:15:26 21 I'll start with the plaintiff. Is there anything
12:15:28 22 that we need to take up?

12:15:30 23 MR. ALBERTI: No, your Honor. Thank you.

12:15:32 24 THE COURT: Mr. Fulghum?

12:15:34 25 MR. FULGHUM: Judge, what happens next in terms

12:15:35 1 of memorializing the Court's constructions?

12:15:38 2 THE COURT: We will -- you have them -- for
12:15:42 3 purposes -- essentially this. I wanted you to have them
12:15:46 4 in this fashion. My rulings on them -- I've taken the
12:15:49 5 preliminary constructions, with the exception of the one
12:15:51 6 where I modified it, those are not the final
12:15:54 7 constructions. I think we usually get out a final Markman
12:15:57 8 order within about a month.

12:15:59 9 MR. FULGHUM: Okay. Understood. Thank you, your
12:16:01 10 Honor. Nothing --

12:16:02 11 THE COURT: The point here is, I want -- I try to
12:16:06 12 do it this way because I want you all to begin discovery
12:16:09 13 this afternoon, or Monday, or whenever it is. I don't
12:16:12 14 want you all having to wait for my final -- my order on
12:16:16 15 final constructions and delaying your ability to get
12:16:19 16 discovery started. It looks -- but you'll have them
12:16:24 17 within a month. I'm sorry.

12:16:26 18 MR. FULGHUM: Understood, Judge.

12:16:28 19 Nothing further for AT & T.

12:16:29 20 THE COURT: Mr. Roberts?

12:16:31 21 MR. ROBERTS: Nothing further for DISH, your
12:16:33 22 Honor. Thank you.

12:16:33 23 THE COURT: I would be remiss if I didn't tell
12:16:35 24 you all, I've done a lot of Markmans now and that -- if
12:16:43 25 that wasn't the best set of arguments I've had, it

12:16:47 1 certainly would be in competition for the top two or
12:16:53 2 three. It's really an unbelievable privilege and pleasure
12:16:57 3 to get to have this job and have lawyers that are the --
12:17:03 4 that have the ability that you do. It makes it much more
12:17:07 5 difficult for me to make my decisions because of the
12:17:11 6 quality of arguments that are made on both sides.

12:17:14 7 I'll tell you, in a lot of Markmans, it takes a
12:17:17 8 lot less elbow grease for me to make these decisions. But
12:17:21 9 the lawyers in this case are exceptional and I -- it's one
12:17:28 10 of those deals where if it were based on merit, everyone
12:17:32 11 should win these claim terms. That was really an
12:17:34 12 exceptional morning for me.

12:17:35 13 I hope you all have a good weekend and be safe.
12:17:39 14 And I look forward -- if you need anything else in the
12:17:41 15 case, let me know. But we will be working on getting a
12:17:46 16 resolution of the motion to transfer literally as quickly
12:17:49 17 as we can get it done.

12:17:51 18 So have a good weekend. Take care.

12:17:55 19 MR. PALMER: You, too, your Honor. Take care.

12:17:58 20 MR. ALBERTI: Thanks, Judge.

12:18:00 21 MR. FULGHUM: Thank you, your Honor.

22 (Proceedings concluded.)

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UNITED STATES DISTRICT COURT)
WESTERN DISTRICT OF TEXAS)

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